



CITY COMMISSION MEETING  
 AGENDA FOR MARCH 11, 2014  
 5:30 P.M.

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE- Ms. McCall Hutcheson, Clark Elementary 5<sup>th</sup> Grader

ADDITIONS/DELETIONS

REPORT: Wallace Park Project – J. Hodges

	I.	<u>MINUTES</u>
	II.	<u>MOTIONS</u>
		A. R & F Documents
	III.	<u>MUNICIPAL ORDERS</u>
		A. Personnel Actions
		B. Law Enforcement Service Fee Grant – S. ERVIN
	IV.	<u>ORDINANCES – ADOPTION</u>
		A. 2013 U.S. Bulletproof Vest Partnership Grant Award – ASST. CHIEF GRIMES
		B. Authorize Change Order #1 for the Ohio River Boat Launch Project – <b>R. MURPHY</b>
		C. Closure of a Portion of Ridgewood from Topeka to Olympia – <b>R. MURPHY</b>
		D. Closure of a Portion of an Alley from Bethel toward Main Street – <b>R. MURPHY</b>
	V.	<u>ORDINANCES – INTRODUCTION</u>
		A. Authorize Contract for Compost Grinding – <b>R. MURPHY</b>
		B. Purchase In-Car Cameras & Server for Police Dept. – <b>POLICE CHIEF BARNHILL</b>

		C. Approval of Deed and Assignment of Lease from IDA to City and County for the MACCO Organiques Building - <b>CITY MGR PEDERSON</b>
		D. Interlocal Agreement between City, County & GPEDC for Appointing GPEDC As Project Manager for Renovations to the MACCO Organiques Building - <b>CITY MGR PEDERSON</b>
	<b>VI.</b>	<b><u>CITY MANAGER REPORT</u></b>
	<b>VII.</b>	<b><u>MAYOR &amp; COMMISSIONER COMMENTS</u></b>
	<b>VIII.</b>	<b><u>PUBLIC COMMENTS</u></b>
	<b>IX.</b>	<b><u>EXECUTIVE SESSION</u></b>

MARCH 11, 2014

I move that the following documents be received and filed:

**DOCUMENTS**

1. Certificates of Liability Insurance
  - a. Circle P Enterprises, LLC
  - b. M P Lawson Construction, LLC
  - c. Wilkins Construction Company, Inc.
  - d. Ray Black & Son, Inc.
  
2. Agreements/Contracts:
  - a. Grant Agreement with the Office of Homeland Security for the acceptance of the 2013 Homeland Security Grant Award for Police Department Hand-Held Radios (ORD # 2013-11-8096)
  - b. Hotel Development Agreement with Paducah Convention Hotel for the construction of a hotel in Downtown Paducah (ORD # 2013-12-8108)
  - c. Mediation Agreement with Aquatic Renovation Systems for the Noble Park Pool Rehabilitation Project (ORD # 2012-11-7993)
  - d. Change Order # 1 with Aquatic Renovation Systems for the Noble Park Pool Rehabilitation Project (ORD # 2012-11-7993)
  - e. Communications System Agreement with Motorola Solutions for Hand-held Radios for the Paducah Police Department (ORD # 2014-02-8116)
  - f. Cooperation Agreement with The United States of America Department of the Army for the Rehabilitation of a Federal Flood Control Work (ORD # 2013-01-8110)
  - g. Agreement with The Federal Materials Company, LLC for the 2014-2015 Concrete Ready-Mix Contract (ORD # 2014-02-8121)
  - h. Agreement with ICA Engineering, Inc. for professional inspection services for the Greenway Trail Phase II Project (ORD # 2014-02-8120)
  - i. Agreement with the Professional Fire Fighters of Paducah, Local 168, International Association of Firefighters for FY 2014-2017 (ORD # 2014-02-8119)
  - j. Agreement with The Paducah Police Department Bargaining Unit for FY 2014-2017 (ORD # 2014-02-8118)
  
3. Paducah Water Works Financial Highlights for January 2014
  
4. Paducah Housing Authority Report on Examination of Financial Statements and Supplemental Data for the year ended March 31, 2013

**BIDS for Engineering-Public Works**

**COMPOST GRINDING OF TREE DEBRIS AND YARD WASTE**

1. Central Paving Co.\*
2. Agricycle, Inc.
3. Environmental Wood Recycling (Bid rejected)

\*denotes winning bid

CITY OF PADUCAH  
March 11, 2014

DRAFT

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Upon the recommendation of the City Manager, the Board of Commissioners of the City of Paducah order that the personnel changes on the attached list be approved.

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City Manager's Signature

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Date

CITY OF PADUCAH  
PERSONNEL ACTIONS  
March 11, 2014

TERMINATIONS - FULL-TIME (F/T)

POLICE OPERATIONS

Collins Jr, Henry

POSITION

Patrolman

REASON

Resignation

EFFECTIVE DATE

March 24, 2014

# Agenda Action Form Paducah City Commission

Meeting Date: 11 March 2014

Short Title: **2014-2015 Law Enforcement Service Fee (LSF) Grant Application**

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Captain Jason Merrick, Sheryl Chino  
Presentation By: Chief Brandon Barnhill, Steve Ervin

**Background Information:** The Police Department desires to submit a Law Enforcement Service Fee (LSF) Grant Application to the Kentucky Justice Cabinet in order to operate a one year DUI Enforcement Program.

The LSF program will reimburse the city for 100% of approved overtime personnel costs. mileage up to 100 miles per eight (8) hour shift. The Department proposes to submit an application for 150 hours of overtime for 11 officers at a rate of \$56.00 per hour. The Paducah Police Department is requesting \$8,400 from the 2014-2015 LSF program. No match is required. The grant period will be July 1, 2014 to June 30, 2015.

If an award is offered it will be brought before the Commission for consideration. If the Commission chooses to support this grant application, it must authorize and direct the Mayor or Mayor's designee to sign all required grant application documents.

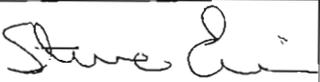
Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name:  
Account Number:  
Project Number:

Finance
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Staff Recommendation: Approval

Attachments:

 Department Head	City Clerk	City Manager
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MUNICIPAL ORDER NO. \_\_\_\_\_

A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE AN APPLICATION AND ALL DOCUMENTS NECESSARY TO OBTAIN A 2014/2015 LAW ENFORCEMENT SERVICE FEE GRANT IN AN AMOUNT UP TO \$8,400.00 FROM THE KENTUCKY JUSTICE CABINET FOR THE PADUCAH POLICE DEPARTMENT TO OPERATE A ONE-YEAR DUI ENFORCEMENT PROGRAM

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The Mayor is hereby authorized to execute an application and all documents necessary to obtain a 2014/2015 Law Enforcement Service Fee grant in an amount up to \$8,400.00 from the Kentucky Justice Cabinet for the Paducah Police Department to operate a one-year DUI Enforcement Program.

SECTION 2. This order will be in full force and effect from and after the date of its adoption.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Adopted by the Board of Commissioners, March 11, 2014  
Recorded by Tammara S. Sanderson, City Clerk, March 11, 2014  
\\mo\grants\police-2014-2015 law enforcement service fee 3-2014

# Agenda Action Form

## Paducah City Commission

Meeting Date: 4 March 2014

Short Title: 2013 US Bulletproof Vest Partnership Grant

Ordinance    Emergency    Municipal Order    Resolution    Motion

Staff Work By: Stacey Grimes, Sheryl Chino

Presentation By: Asst. Chief Stacey Grimes; Steve Ervin

**Background Information:** The U.S. Department of Justice (DOJ) Bulletproof Vest Partnership Grant Program, an online application, provides a maximum 50% reimbursement for the purchase of body armor for police. The City has received over \$46,000 from this grant program in the last several years.

This year the police department has been awarded \$7,435.61 for the purchase of new Paraclete - FLX-III A vests for the SWAT Team. The SWAT Team vests currently being used have reached the end of their recommended life and the cost to replace these vests is \$1,336 each. This grant requires a 50% match, therefore, matching funds in the amount of \$7,435.61 will be provided through the police department's 2014 Operating Budget. The total project cost is \$14,871.22. The Commission previously approved the submittal of the grant application under Municipal Order 1723.

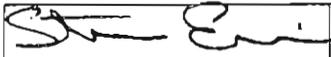
The grant requires authorization by the Paducah City Commission to allow the Mayor to execute all grant related documents.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: 2013 DOJ BVP  
Project Number: PO0078  
File #: 6.255  
Account Number: 040-1616-521.23.07  
CFDA Number: 16.607

Finance

Staff Recommendation: Approval

		
Department Head	City Clerk	City Manager

# Agenda Action Form Paducah City Commission

Meeting Date: February 28, 2014

Short Title: Authorize Change Order #1 with Jim Smith Contracting Co., LLC,  
for the Ohio River Boat Launch Project

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Angela Weeks, EPW Proj Mgr

Presentation By: Rick Murphy, P.E., City Engineer-Public Works Director

### Background Information:

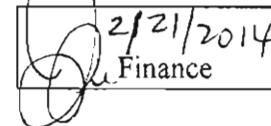
On April 20, 2013, Ordinance #2013-04-8028 was adopted authorizing the Mayor to execute a contract with Jim Smith Contracting Co., LLC, in the amount of \$2,588,465.78 for construction of the Ohio River Boat Launch Project. This Project was bid on a "Unit Price" basis and NOT "Lump Sum." During construction of the Project, it was determined that adjustments regarding various construction quantities were necessary.

Upon final reconciliation and tabulation of all construction items, the final contract amount increased by \$17,139.83 which is a 0.66 % increase above the original contract amount. Therefore, the new contract price will be \$2,605,605.61. The Contractor has completed all items of the contract responsibilities and this reconciliation Change Order reflects all final quantities utilized on the job site. The Project Account (PF0039) has sufficient funding to cover this expense.

If approval is granted by the Board of Commissioners, this Change Order documentation will be forwarded to the Kentucky Transportation Cabinet Office of Local Programs (KYTC-OLP) for official execution by the required KYTC representatives as required by the FHWA grant LPA process,

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: Ohio River Boat Launch  
Account Number: 040-3315-532-2307 PF0039

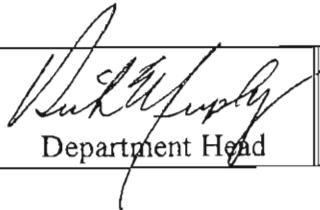


### Staff Recommendation:

To adopt an Ordinance authorizing the Mayor to execute Change Order #1 for the Ohio River Boat Launch Project authorizing the contract to be increased by \$17,139.83. Therefore, the new contract price will be \$2,605,605.61.

### Attachments:

Original Ordinance, Change Order #1

 Department Head	City Clerk	City Manager
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# Agenda Action Form Paducah City Commission

Meeting Date: February 25, 2014

Short Title: Closure of a Portion of Ridgewood Street between Topeka Avenue and Olympia Avenue

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Angela Weeks, Engr Proj Mgr

Presentation By: Rick Murphy, P.E., City Engineer-Public Works Director

### Background Information:

The following adjacent property owners have submitted an executed application requesting that a portion of Ridgewood Street between Topeka Avenue and Olympia Avenue closed:

- Higdon Development, Inc.
- David and Kristie Stuber
- Ronald and Shirley Hagan
- Charles and Linda Hayden

On February 17, 2014, the Planning Commission held a Public Hearing and made a positive recommendation to the City Commission for this closure. All of the utility companies have agreed to this closure with utility easements not being required.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: N/A  
Account Number:

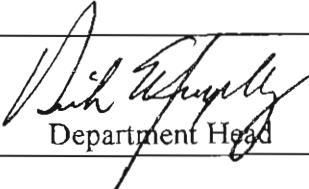
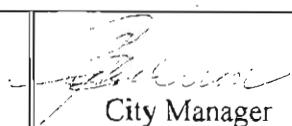
Finance
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### Staff Recommendation:

To adopt an ordinance authorizing the closing of a portion of Ridgewood Street between Topeka Avenue and Olympia Avenue be closed and authorizing the Mayor to execute the plat and all necessary documents to complete the transfer of property to the adjacent property owners.

### Attachments:

Original Street Closure Application, Proposed Closure Plat, Public Hearing Notice, Planning Commission Resolution

 Department Head	City Clerk	 City Manager
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# Agenda Action Form Paducah City Commission

Meeting Date: February 28, 2014

Short Title: Closure of a Portion of an Alley from Bethel Street toward Main Street

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Angela Weeks, Engr Proj Mgr

Presentation By: Rick Murphy, P.E., City Engineer-Public Works Director

### Background Information:

The following adjacent property owners have submitted an executed application requesting that a portion of a 15' Alley from Bethel Street 132' in a northerly direction toward Main Street be closed:

- Fraternal Order of Eagles
- Douglas and Sue Ingram

On February 17, 2014, the Planning Commission held a Public Hearing and made a positive recommendation to the City Commission for this closure. All of the utility companies have agreed to this closure with a 15'x30' Public Sanitary Sewer Easement being required as shown on the plat.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: N/A  
Account Number:

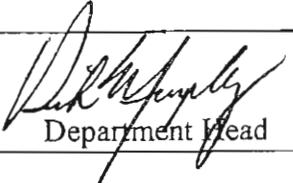
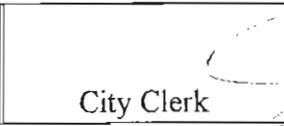
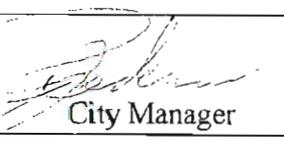
Finance
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### Staff Recommendation:

To adopt an ordinance authorizing the closing of a portion of a 15' Alley from Bethel Street toward Main Street be closed and authorizing the Mayor to execute the closure plat and all necessary documents to complete the transfer of property to the adjacent property owners.

### Attachments:

Original Street Closure Application, Proposed Closure Plat, Public Hearing Notice, Planning Commission Resolution

 Department Head	 City Clerk	 City Manager
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# Agenda Action Form Paducah City Commission

Meeting Date: March 11, 2014

Short Title: Compost Grinding of Tree Debris and Yard Waste Contract

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Angela Weeks, Engr-Pub Works Proj Mgr  
Presentation By: Rick Murphy, P.E., City Engineer-Public Works Director

### Background Information:

On March 6, 2014, sealed bids were opened and read aloud for the Compost Grinding of Tree Debris and Yard Waste Contract. This contract requires the Contractor to periodically furnish all equipment, operator, tools, transportation, supplies and items necessary on an as-needed basis to grind and stack all accumulated tree debris and yard waste collected at the Compost Facility at a contract hourly rate. Two responsive bids were submitted with Central Paving Company of Paducah, Inc., submitting the lowest evaluated bid at an hourly rate of \$524.00 per hour for this work. The contract time will be for the remaining portion of the 2014 calendar year with three optional one-year term renewals if both parties agree.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: Misc. Contractual / Rental  
Equipment – Solid Waste Fund  
Account Number: 050-2211-531-2401

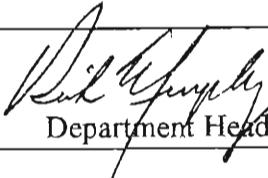
  
3/7/2014  
Finance

### Staff Recommendation:

To receive and file the bids and adopt an Ordinance authorizing the Mayor to enter into a contract with Central Paving Company of Paducah, Inc., for Compost Grinding of Tree Debris and Yard Waste at an hourly rate of \$524.00 for the remaining portion of the 2014 calendar year; and to authorize the Mayor, subsequent to the recommendation of the City Engineer-Public Works Director, the option to execute three optional one-year term renewals upon the mutual agreement of both parties.

### Attachments:

Bid, Bid Tab, Advertisement, proposed Contract

 Department Head	City Clerk	City Manager
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AN ORDINANCE ACCEPTING THE BID OF CENTRAL PAVING COMPANY FOR COMPOST GRINDING OF TREE DEBRIS AND YARD WASTE, AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SAME

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City of Paducah accepts the bid of Central Paving Company for compost grinding of tree debris and yard waste in the amount of \$524.00 per hour for the remaining portion of the 2014 calendar year and with three optional one-year term renewals. Said contract is in substantial compliance with bid specifications, advertisement for bids, and bid of Central Paving Company dated March 6, 2014.

SECTION 2. The Mayor is hereby authorized to execute a contract between the City of Paducah and Central Paving Company for compost grinding of tree debris and yard waste as set out in Section 1 above. Further, the Mayor is authorized, subsequent to the recommendation of the City Manager, the option to execute three optional one-year term renewals upon mutual agreement of both parties.

SECTION 3. This expenditure shall be charged to the Miscellaneous Contractual/Rental Equipment - Solid Waste Fund account.

SECTION 4. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, March 11, 2014  
Adopted by the Board of Commissioners, March 25, 2014  
Recorded by Tammara S. Sanderson, City Clerk, March 25, 2014  
Published by the Paducah Sun, \_\_\_\_\_  
\\ord\pworks\contract-compost grinding 3-2014

**CITY OF PADUCAH  
ENGINEERING-PUBLIC WORKS DEPARTMENT  
Compost Grinding of Tree Debris and Yard Waste**

**BID OPENING: 2:00 p.m. CST on Thursday, March 6, 2014**

<b>OFFICIAL BIDDER OF RECORD</b>	<b>Central Paving Co.</b>	<b>Agricycle, Inc.</b>	<b>Environmental Wood Recycling</b>	<b>Simply Mulch</b>
Mailing Address: Business Phone Number:	P O Box 3230 Paducah, KY 42002 271.443.1059	39 Old Elam Ave Valley Park, MO 63088 636.861.0200	2085 Barren River Rd Bowling Green, KY 42101 270.599.0503	1900 Veterans Memorial Ln Bowling Green, KY 42011 270.842.4011
Bid Bond - \$5,000	Yes	Yes		
Bidder's Certificate Signed & Notarized	Yes	Yes		
Grinder Equipment	2006 Hogzille 1464T	2013 Morbark 1300B		
Grinder Horsepower	1,000 HP	1,050 HP		
Grinder Screens	3" Screens	3" Screens		
Stacker Equipment	2006 Imco 1042	2009 McCloskey S-130		
Stacker Height	60'	80' w/ 34' Dumping Height		
Responsive Bid	Yes	Yes		
<b>Total Bid Per Hour</b>	<b>\$524.00</b>	<b>\$686.00</b>	<b>Bid Rejected **</b>	<b>No Bid Submitted</b>
Evaluation Score	1000	800		
Recommended for Acceptance	Yes	No		

\*\* Bid Proposal included a "40 Hours Minimum" condition. Specifications clearly state that a minimum amount of purchase shall not be required.

**CITY OF PADUCAH, KENTUCKY  
ENGINEERING-PUBLIC WORKS DEPARTMENT  
OWNER EVALUATION FORM**

PROJECT: **Compost Grinding of Tree Debris and Yard Waste**

DATE: 3-7-14

BIDDER: Central Paving

Grading Criteria:

Evaluate the Bidder's Criteria on a rated value scale:  
0 = the lowest value to 10 = the highest value for each item listed below.  
Rating x Weighted Percent = Criterion Score  
The Sum of all Criterion Scores shall be the Owner's basis of the Bidder's Overall Score.

**GRADING CRITERIA**

NO.	CRITERIA ITEMS	RATING VALUE (0- 10)	WEIGHTED - PERCENT	CRITERION SCORE
1.	Hourly Rate	10	40%	400
2.	Grinder HP	10	20%	200
3.	Grinder Screen Size	10	20%	200
4.	Stacker Height	10	20%	200
5.				
6.				
7.				
8.				
9.				
10.				

**BIDDER'S OVERALL TOTAL SCORE** 1000

**PREFERENCE TO KENTUCKY BIDDERS**

- Bidder is a resident of the following state: Kentucky
- If Bidder is a non-resident of the Commonwealth of Kentucky, indicate if any preference is given by the resident's state: \_\_\_\_\_
- Addition of any reciprocal preference for resident bidders: \_\_\_\_\_

**CITY OF PADUCAH, KENTUCKY  
ENGINEERING-PUBLIC WORKS DEPARTMENT  
OWNER EVALUATION FORM**

PROJECT: **Compost Grinding of Tree Debrls and Yard Waste**

DATE: 3-7-14

BIDDER: AGricycle INC.

Grading Criteria:

Evaluate the Bidder's Criteria on a rated value scale:  
0 = the lowest value to 10 = the highest value for each item listed below.  
Rating x Weighted Percent = Criterion Score  
The Sum of all Criterion Scores shall be the Owner's basis of the Bidder's Overall Score.

**GRADING CRITERIA**

NO.	CRITERIA ITEMS	RATING VALUE (0- 10)	WEIGHTED - PERCENT	CRITERION SCORE
1.	Hourly Rate	5	40%	200
2.	Grinder HP	10	20%	200
3.	Grinder Screen Size	10	20%	200
4.	Stacker Height	10	20%	200
5.				
6.				
7.				
8.				
9.				
10.				

**BIDDER'S OVERALL TOTAL SCORE** 800

**PREFERENCE TO KENTUCKY BIDDERS**

1. Bidder is a resident of the following state: Missouri
2. If Bidder is a non-resident of the Commonwealth of Kentucky, indicate if any preference is given by the resident's state: \_\_\_\_\_
3. Addition of any reciprocal preference for resident bidders: \_\_\_\_\_

PADUCAH SUN  
2-16-14

**COW FEED**  
Gin trash, delivery available... semi loads only. 731-676-0857.

**HAY IN BARN**  
\$40/roll.  
270-703-4253

**0450 LIVESTOCK**  
ANGUS bulls, 2 years. Bremer Bros., 618-524-5396.

**0470 FARM EQUIPMENT**  
'99 CH1 MX270 tractor, 5,075 hrs., new fuel pump, \$54,500. 270-871-3538.

5030 FORD, loader, 4-WD, shuttle, 1,200 hours. 270-217-8554.

**MERCHANDISE**

**0503 AUCTION SALES**  
Col. Paul Wilkerson & Sons Real Estate/Auction, Lowes, KY 674-5659, 874-5523

**0541 BENT/BUY/TRADE**  
CASH for comics, toys, dolls, & antiques. Call Crash Comics 442-7348.

**RUNNING, fixable, junk vehicles, equip.**  
CASH. 270-804-8333

**WANTED TO BUY: RAW FURS**  
McClellan Fur Co., Pulaski, IL. 618-342-6316, 618-342-6871.

**0563 MISC. ITEMS FOR SALE**  
3 ROW pyramid ring, 27 diamonds, 14K, size 7, \$600. 270-559-8030.

ARMY boots, pants & jackets. Jerry's Sporting Goods, Mayfield.

**THIS NEWSPAPER COULD BE YOURS EVERY DAY!** What better gift to give yourself or a friend. Call The Paducah Sun Customer Service Department for details. 575-8800 or 1-800-399-1771.

In addition to those protected under federal law, we will not knowingly accept any advertising for real estate which is in violation of the law. All persons are hereby informed that all dwellings advertised are available on an equal opportunity basis.

**0610 UNFURNISHED APARTMENTS**  
1BR, good & quiet location, water pd. No pets, no smoking. 554-0211, 217-5890

\$600; 2 BR, 2 B, 2 story, no pets, 6235 Benton Rd, Reidland. 270-519-8636.

**1, 2, & 3 BR Apartments**  
Newly Renovated! Free Applications  
**Contact Mario**  
270-366-2767  
se habla español!  
1 BR & 2 BR, W/D hookup available.  
270-534-5694.

**0670 BUSINESS PLACES/OFFICES**  
Park Ave./HC Mathis 800 sq. ft. office \$520 mo. 270-217-1360

2,700 SQ. ft. retail/warehouse/office space on 13th St., between Broadway & Jefferson, \$650 per mo. R.E. Fairhurst Realty. 442-5474.

**FAIRHURST BLDG.**  
Professional office space avail., 1,237 sq. ft. R.E. Fairhurst Realty. 442-5474.

**0615 FURNISHED APARTMENTS**  
\$475/6625/mo. 1BR. No pets. 559-0688.

1 BR furn. apt., off-street parking, \$550 mo. + dep. 443-7103.

**0620 HOMES FOR RENT**  
3 BR, 2 B, \$685/mo. + dep. 270-898-7988.

**FULLY furn., panoramic view of KY Lake w/ boat dock, ideal for Calvert plant workers, \$1,100 mo.**  
270-559-2916.

**2BR, 2B**  
all appliances, w/ garage.  
270-554-0114

**0670 REAL ESTATE FOR SALE**  
3 BR, carpet & shop in Benton. \$68,000. 270-617-0603.

**TRANSPORTATION**

**0804 BOATS FOR SALE**  
'06 TRITON 21 XHP, immaculate, loaded, new power pole, 2 Low, DFS, 36V TM, 4 BK charger, Fury prop, cover, \$22,995 OBO. 731-614-8548.

**0860 HOMES FOR SALE**  
2004 HONDA Odyssey van, 1 owner, 135K miles, \$6,500 firm. 270-564-7801.

**0864 PICKUP TRUCKS FOR SALE**  
'02 DODGE Dakota 4x4, Quad cab, 4 dr., 126K mi., \$7,450. 270-564-3953.

**0868 CARS FOR SALE**  
2011 HONDA Accord EX, loaded, 15K miles. 270-489-2525.

**0910 BUSINESS OPPORTUNITIES**  
SOME ads in this classification are not necessarily for "help wanted" but for employment information booklets.

**0955 LEGALS**  
HARPER Construction is preparing a bid for the Paducah/McCracken Joint Sewer Agency - Wallace Park Sewer Separation Project. We are seeking bids from qualified MBE/DBE/WBE Subcontractors & Suppliers for the following work items associated with this project: Landscape & Seeding; Material Suppliers; Asphalt; masonry work. Plans and specs may be viewed at the AGC of Western KY or our office. We will need bids by the 17th of February, please call with any questions 270-538-7500. Email bids to jedwards@harperc.com or fax to 270-538-7519.

**0910 BUSINESS OPPORTUNITIES**  
GOVERNMENT WILDLIFE JOBS!  
Great Pay and Benefits. No Experience Necessary. The likelihood to a dream job might really be a scam. To protect yourself, call the Federal Trade Commission toll-free, 1-877-FTC-HELP, or visit www.ftc.gov. A public service message from The Paducah Sun and the FTC.

**0955 LEGALS**  
NEXT-OF-KIN - Any one having any information regarding the whereabouts of the children of Opal Bernice Johnson, namely - Carol June Manniken and/or Diana Newton please contact Mr. Duane Clark, Office of The Public Trustee, 155 Carlton Street, Suite 500, Winnipeg, Manitoba R3C 5R9. Telephone: (204) 945-2710.

**0955 LEGALS**  
THE City of Paducah, Engineering-Public Works Department will receive sealed bids for "Compost Grinding of Tree Debris and Yard Waste" at 2:00 p.m. CST, on Thursday, March 6, 2014. All bids received will be publicly opened and read aloud in the Commission Chambers, Second Floor, City Hall, 200 South 5th Street, Paducah, Kentucky. Copies of the specifications may be obtained at the office of the Engineering-Public Works Department located in City Hall. More information regarding this project may be found at the City of Paducah's Website: www.paducahky.gov under Request for bids.

**0955 LEGALS**  
The Paducah-McCracken County Riverport Authority has published its Rates, Rules and Regulations. Tariff #6, effective February 1, 2014. Copies are available from 8:00 a.m.-3:00 p.m. Monday through Friday at Riverport office located at 2000 Wayne Sullivan Center, Paducah, Ky.

**SUDOKU**  
By Dave Greici

2					7
	1	3	5	9	
		5		3	
4	8	6	4	7	
5		7			9

Answer to previous puzzle

7	6	1	9	4	3	5	2	8
5	2	3	6	7	8	1	9	4
9	4	8	1	2	5	7	6	3
8	3	7	5	1	6	2	4	9
6	9	4	2	3	7	8	1	5
2	1	5	4	8	9	6	3	7
1	8	9	7	6	4	3	5	2

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00000 4000-31002

CITY OF PADUCAH, KENTUCKY  
ENGINEERING-PUBLIC WORKS DEPARTMENT

AGREEMENT FOR  
COMPOST GRINDING OF TREE DEBRIS AND YARD WASTE

**THIS AGREEMENT**, made this \_\_\_\_\_ day of \_\_\_\_\_, 2014 by and between the **CITY OF PADUCAH**, hereinafter called the **OWNER**, and **CENTRAL PAVING COMPANY OF PADUCAH, INC.**, hereinafter called the **CONTRACTOR**, for the consideration hereinafter named, agree as follows:

ARTICLE 1. SCOPE OF WORK

The Contractor agrees to periodically furnish all equipment, operator, tools, transportation, supplies and items necessary on an as-needed basis to grind all accumulated tree debris and yard waste collected at the Compost Facility at the approved contract hourly rate. The Contractor will also be required to stack the finished mulch product by utilizing a Stacking Conveyor. All work shall be completed in accordance with the Specifications and the Addendum #1 prepared by the Owner.

Throughout the performance of this Contract, the Engineering-Public Works Department of the City of Paducah shall, in all respects, be acting as both Engineer and agent for the Owner. All work done by the Contractor shall be completed under the general supervision of the Engineer.

ARTICLE 2. CONTRACT TIME

This Agreement shall be binding upon the City and the Contractor, his partners, successors, assigns, and legal representatives for remaining portion of the 2014 calendar year ending December 31, 2014. The term of the contract may be renewable for three additional one-year terms, ending at the end of each calendar year on December 31<sup>st</sup>, upon the mutual agreement of both parties. The City Engineer-Public Works Director, acting as agent for the Owner, shall determine, in his sole discretion, the Owner's option to renew. Neither the City nor the Contractor shall have the right to assign, transfer, or sublet their interests or obligations hereunder without consent of the other party.

ARTICLE 3. THE CONTRACT SUM

The Owner shall pay the Contractor for the performance of the Contract Five Hundred Twenty Four Dollars and no cents (\$524.00) per hour, as quoted in the Bid Proposal by the Contractor dated March 6, 2014, and as approved by the Board of Commissioners on \_\_\_\_\_ by Ordinance 2014-\_\_\_\_\_.

ARTICLE 4. PAYMENTS

The Contractor may submit a Request for Payment subsequent to satisfactory performance of the required Work in accordance with all of the provisions thereof and upon approval by the Owner. The Owner agrees to make Payment to the Contractor within Thirty (30) days after receipt of a properly completed invoice. The Owner reserves the right to withhold any of all payments or portions thereof if the Contractor fails to perform in accordance with the provisions of the contract.

Contract prices are firm and will not be altered during the Contract period. The Contractor agrees that no minimum amount of purchase shall be required.

ARTICLE 5. GOVERNING LAW

The Parties agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of the Commonwealth of Kentucky. The parties further agree that the venue for any legal proceeding relating to this Agreement shall exclusively be in McCracken County, Kentucky.

ARTICLE 6. THE CONTRACT DOCUMENTS

The Specifications and any Addendum that may have been issued are fully a part of this Contract as if thereto attached or herein repeated.

IN WITNESS WHEREOF:

The parties hereto have executed this Agreement, the day and year first above written.

**CENTRAL PAVING CO. OF PADUCAH, INC.**

BY \_\_\_\_\_  
TITLE \_\_\_\_\_

ADDRESS:  
Post Office Box 3230  
Paducah, Kentucky 42002-3230

**CITY OF PADUCAH, KENTUCKY**

BY \_\_\_\_\_  
Gayle Kaler, Mayor

ADDRESS:  
Post Office Box 2267  
Paducah, Kentucky 42002-2267

# Agenda Action Form Paducah City Commission

Meeting Date: March 11, 2014

Short Title: Purchase In-Car Cameras and L3 Server Repairs

Ordinance  Emergency  Municipal Order  Resolution  Motion

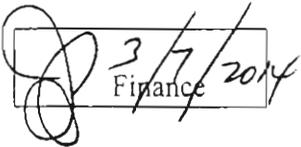
Staff Work By: Assistant Chief Stacey Grimes

Presentation By: Chief Brandon Barnhill

Background Information: Over the past several years, the police department has equipped its marked police cruisers with in-car cameras. The cameras have proven their worth time after time by providing evidence for court proceedings and quelling complaints of alleged officer misconduct. Digital cameras have slowly replaced the old VHS cameras. Content from the digital cameras is downloaded directly to a dedicated server housed in the police department. That server now is about seven years old and out of warranty, and in need of replacement. We can purchase a new server, required software and installation from L3, the manufacturer, for \$15,102. Additionally, we would like to purchase two in-car camera systems to replace the last two old VHS systems. The two new systems will cost \$10,121. Both purchases are sole source from L3 Communications: the cameras to match existing equipment, and the server to coordinate with all the camera systems currently on the street.

Goal:  Strong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name: Electronic/Surveillance Equip.  
Account Number: 001-1602-521-4215

  
3/7/2014  
Finance

Staff Recommendation: Approve the sole source purchase of two L3 in-car camera systems and a new L3 server from L3 Communications for a total of \$25,223.

Attachments:

 Department Head	City Clerk	City Manager
--	------------	--------------

AN ORDINANCE AUTHORIZING THE FINANCE DIRECTOR TO PAY L-3 COMMUNICATIONS (MOBILE VISION) FOR THE SOLE SOURCE PURCHASE OF DIGITAL IN-CAR CAMERAS AND A NEW SERVER WITH REQUIRED SOFTWARE AND INSTALLATION TO BE USED BY THE PADUCAH POLICE DEPARTMENT AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATING TO SAME

WHEREAS, the Paducah Police Department purchased digital in-car cameras from L-3 Communications (Mobile Vision) in February 2010; and

WHEREAS, the Police Department wishes to upgrade another two Patrol Division vehicles with digital in-car cameras and purchase a new server with required software and installation; and

WHEREAS, due to the previous purchase of the Police Department's cameras and server used to download digital images are L-3 Communications (Mobile Vision) equipment a written determination has been made by the City Manager that this is a sole source purchase pursuant to Sec. 2-659 of the Code of Ordinances of the City of Paducah, Kentucky.

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. That the City of Paducah hereby authorizes the Finance Director to make payment to L-3 Communications (Mobile Vision), in the amount of \$25,223.00, for the purchase of two digital in-car cameras, a new server, software and installation to be used by the Paducah Police Department and authorizes the Mayor to execute all documents relating to same.

SECTION 2. This expenditure will be charged to the Police Equipment/Electronic/Surveillance account.

SECTION 3. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Tammara S. Sanderson, City Clerk

Introduced by the Board of Commissioners, March 11, 2014  
Adopted by the Board of Commissioners, March 25, 2014  
Recorded by Tammara S. Sanderson, City Clerk, March 25, 2014  
Published by The Paducah Sun, \_\_\_\_\_  
ord\police\digital in-car cameras & server 3-2014

## Agenda Action Form Paducah City Commission

Meeting Date: March 11, 2014

Short Title: Authorizing the acquisition of real property located at 5455 Commerce Drive in Paducah and the assumption of the obligations of Paducah McCracken County Industrial Development Authority ("IDA") under a certain lease agreement dated May 31, 2013 with Macco Organiques Corporation ("Macco").

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Jeff Pederson, City Manager  
Presentation By: Jeff Pederson, City Manager

### Background Information:

On April 10, 2013, City, McCracken County, GPEDC, Inc. and IDA entered into a Memorandum of Understanding ("MOU") with Macco for the relocation and development of an industrial/distribution facility at the spec building located at 5455 Commerce Drive, (the "Project Site") in Paducah. Under the MOU, City and County each agreed to commit \$1,250,000 (total of \$2.5 million) (the "Construction Allowance") for the construction of certain renovations to the spec building and site preparation in order to make the site suitable for occupation by Macco. Any cost in excess of the Construction Allowance shall be the responsibility of Macco.

Originally the Project Site was owned by IDA, however, as a result of the Construction Allowance commitment of City and County and the financing of same it is necessary for City and County to own the Project Site. Therefore, IDA has executed a deed of conveyance conveying an undivided 1/2 interest in the Project Site to City and County. City needs to accept this transfer.

The Project Site is currently subject to a Lease Agreement entered into on May 31, 2013 between IDA, as lessor, and Macco, as lessee. As a result of the transfer of ownership from IDA to City and County, City and County need to assume the obligations of IDA under the aforesaid lease agreement.

These transactions further the public purpose of the City to achieve long-term economic growth and employment opportunities for its citizens

Therefore, I seek approval from the City Commission to enter into and have the Mayor execute (1) the Deed of Conveyance from IDA to City and County, in substantially the same form attached hereto as Exhibit A; and (2) the Assignment Agreement from IDA, as assignor,

Agenda Action Form

to City and County, collectively, as assignee, in substantially the form attached hereto as Exhibit B.

Goal: XStrong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name:  
Account Number:

Finance
---------

Staff Recommendation:

Attachments:

Department Head	City Clerk	City Manager
-----------------	------------	--------------

ORDINANCE NO. 2014- \_\_\_\_\_

**AN ORDINANCE AUTHORIZING AND APPROVING THE ACQUISITION OF REAL PROPERTY LOCATED AT 5455 COMMERCE DRIVE, PADUCAH, MCCRACKEN COUNTY, KENTUCKY AND ASSUMPTION OF THE LEASE AGREEMENT WITH MACCO ORGANIQUES CORPORATION, FOR THE IMPROVEMENT OF A PUBLIC PROJECT**

WHEREAS, the Board of Commissioners of the City of Paducah has determined that it is necessary, appropriate, or in the best interest of the City for the City and McCracken County, Kentucky to each acquire an undivided one-half (1/2) interest in the real property located at 5455 Commerce Drive, Paducah, McCracken County, Kentucky which is more particularly described on **Exhibit "A,"** attached hereto (the "Property") and to assume the lease obligations of Paducah-McCracken County Industrial Development Authority ("IDA") under the Lease Agreement dated May 31, 2013 with MACCO Organiques Corporation ("MACCO") for the Property, for purposes of economic development (the "Public Project"); and

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The Board of Commissioners of the City of Paducah hereby approves and consents to the acquisition of an undivided one-half (1/2) interest in the Property from IDA and the execution of an Assignment Agreement for the City's assumption of IDA's rights, duties, and obligations under the existing Lease Agreement dated May 31, 2013 with MACCO, for MACCO's use and occupancy of the Property. It is hereby found and determined that the acquisition is public property to be used for the public purposes of the City. It is further determined that the Mayor, on behalf of the City of Paducah, Kentucky, is hereby authorized to execute the general warranty deed, the Assignment Agreement and any other documents

necessary to accomplish and consummate the acquisition of the Property and assumption of the lease.

SECTION 2. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 3. This City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission, and that all deliberations of this City Commission and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 4. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

SECTION 5. This ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
City Clerk

Introduced by the Board of Commissioners, \_\_\_\_\_, 2014.

Adopted by the Board of Commissioners, \_\_\_\_\_, 2014.

Recorded by City Clerk, \_\_\_\_\_, 2014.

Published by The Paducah Sun, \_\_\_\_\_, 2014.

EXHIBIT "A"

BEING TRACT C, CONSISTING OF 10.2007 ACRES, IN INDUSTRIAL PARK WEST, AS SHOWN ON THE WAIVER OF SUBDIVISION PLAT AT INDUSTRIAL PARK WEST TO CREATE NEW TRACT F AND REVISE TRACT C OF RECORD IN PLAT SECTION "L." PAGE 1308, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

SUBJECT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR INDUSTRIAL PARK WEST OF RECORD IN DEED BOOK, 1186, PAGE 67, AND RERECORDED IN DEED BOOK 1186, PAGE 643, IN THE AFORESAID CLERK'S OFFICE.

BEING A PART OF THE SAME PROPERTY CONVEYED TO PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, A KENTUCKY CORPORATION, BY DEED DATED APRIL 25, 1997, OF RECORD IN DEED BOOK 871. PAGE 672, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

## DEED OF CONVEYANCE

THIS DEED made and entered into this the \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a governmental agency and instrumentality of the City of Paducah and the County of McCracken, Kentucky, of P. O. Box 1155, Paducah, Kentucky 42002-1155, (hereinafter called "Grantor") and CITY OF PADUCAH, KENTUCKY, a municipal corporation of the second class existing under the laws of the Commonwealth of Kentucky, and a body politic and corporate, whose address is Post Office Box 2267, Paducah, Kentucky 42002-2267, and COUNTY OF MCCRACKEN, KENTUCKY, a body politic and corporate, of 301 South 6<sup>th</sup> Street, Paducah, KY 42003, (hereinafter collectively called "Grantees");

### WITNESSETH:

THAT FOR AND IN CONSIDERATION of the sum of \$1.00, cash in hand paid by the Grantees to the Grantor, the receipt of which is hereby acknowledged, Grantor sold and does by these presents grant, bargain, sell, alien and convey an undivided one-half (1/2) interest unto each of the Grantees, their successors and assigns forever, together with all the improvements, appurtenances and rights thereunto belonging, the following described property, lying and being in McCracken County, Kentucky, and more particularly described as follows:

BEING TRACT C, CONSISTING OF 10.2007 ACRES, IN INDUSTRIAL PARK WEST, AS SHOWN ON THE WAIVER OF SUBDIVISION PLAT AT INDUSTRIAL PARK WEST TO CREATE NEW TRACT F AND REVISE TRACT C OF RECORD IN PLAT SECTION "L," PAGE 1308, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

SUBJECT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR INDUSTRIAL

PARK WEST OF RECORD IN DEED BOOK, 1186, PAGE 67,  
AND RERECORDED IN DEED BOOK 1186, PAGE 643, IN  
THE AFORESAID CLERK'S OFFICE.

BEING A PART OF THE SAME PROPERTY CONVEYED TO  
PADUCAH-MCCRACKEN COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY, A KENTUCKY  
CORPORATION, BY DEED DATED APRIL 25, 1997, OF  
RECORD IN DEED BOOK 871, PAGE 672, IN THE  
MCCRACKEN COUNTY COURT CLERK'S OFFICE.

TO HAVE AND TO HOLD the same, together with all improvements thereon  
and all rights and appurtenances thereunto pertaining unto Grantees, each receiving an undivided  
one-half (1/2) interest their successors and assigns forever, with Covenant of General Warranty,  
except easements, covenants and restrictions of record.

Grantor and Grantees hereby swear and affirm, under penalty of perjury, that the  
foregoing transfer of real property is made by gift, nominal consideration, or no consideration  
and, further, that the estimated fair cash value for the property hereby transferred is: \$373,000.00.

The recording of this deed is exempt from the real estate transfer tax pursuant to  
KRS 142.050(7)(b).

IN WITNESS WHEREOF, the Grantor and Grantees have hereunto set their  
hands.

**GRANTOR:**

PADUCAH-MCCRACKEN COUNTY  
INDUSTRIAL DEVELOPMENT AUTHORITY

By W.R. Johnston  
Title Chairman

**GRANTEES:**

CITY OF PADUCAH, KENTUCKY

COUNTY OF MCCRACKEN,  
KENTUCKY

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this 17<sup>th</sup>  
day of February, 2014, by W-R Johnston,  
Chairman (title) of Paducah-McCracken County Industrial Development Authority, on  
behalf of said corporation, Grantor.



My commission expires 1-12-18

Lisa H. Emmons  
NOTARY PUBLIC, STATE AT LARGE

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this \_\_\_\_\_  
day of \_\_\_\_\_, 2014, by \_\_\_\_\_,  
\_\_\_\_\_ (title) of CITY OF PADUCAH, KENTUCKY, a municipal corporation of the  
second class existing under the laws of the Commonwealth of Kentucky, and a body politic and  
corporate, on behalf of said entity, Grantee.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, \_\_\_\_\_ (title) of COUNTY OF MCCRACKEN, KENTUCKY, a body politic and corporate, on behalf of said body, Grantee.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE

THIS INSTRUMENT WAS PREPARED BY THE UNDERSIGNED WITHOUT THE BENEFIT OF A TITLE EXAMINATION AND BASED UPON INFORMATION SUPPLIED BY THE GRANTOR. THE UNDERSIGNED ASSUMES NO RESPONSIBILITY FOR ITS ACCURACY.

This instrument prepared by:



\_\_\_\_\_  
DENTON & KEULER, LLP  
P. O. Box 929  
Paducah, KY 42002-0929  
170147.doc

Send 2014 tax bill to:  
GPEDC, Inc., as Project Manager  
For City of Paducah and County of McCracken  
P O Box 1155  
Paducah, KY 42002-1155

## ASSIGNMENT AGREEMENT

**FOR VALUABLE CONSIDERATION**, the receipt of which is hereby acknowledged by the parties hereto. PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a governmental agency and instrumentality of the City of Paducah and the County of McCracken, Kentucky, (the "Assignor" herein), does hereby sell, transfer and assign unto CITY OF PADUCAH, KENTUCKY, a municipal corporation of the second class existing under the laws of the Commonwealth of Kentucky, and a body politic and corporate, and COUNTY OF MCCRACKEN, KENTUCKY, a body politic and corporate (collectively, the "Assignee" herein), all of Assignor's rights, title, interests, warranties, covenants, duties, obligations and undertakings under the following lease (hereinafter referred to as the "Lease"):

- A Lease Agreement dated May 31, 2013, executed between Assignor (as Lessor) and MACCO Organiques Corporation, (as Lessee) for the lease of the real property known as Tract C, consisting of 10.2007 acres, in Industrial Park West

The full text of the Lease is attached as **Exhibit A** to this Assignment.

The terms hereof shall extend to and shall be binding upon the parties hereto, and their respective legal representatives, successors and assigns.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2014.

**ASSIGNOR:**

PADUCAH-MCCRACKEN COUNTY  
INDUSTRIAL DEVELOPMENT AUTHORITY

By: W.R. Johnston

Title: Chairman

ASSIGNEE:

CITY OF PADUCAH, KENTUCKY

By: \_\_\_\_\_

Title: \_\_\_\_\_

COUNTY OF MCCRACKEN, KENTUCKY

By: \_\_\_\_\_

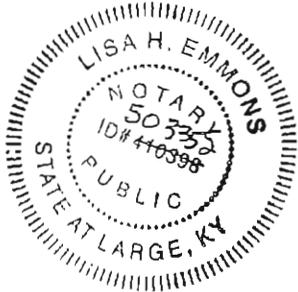
Title: \_\_\_\_\_

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this 17<sup>th</sup> day of February, 2014, by W.R. Johnston, Chairman (title) of PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a governmental agency and instrumentality of the City of Paducah and the County of McCracken, Kentucky, on behalf of said corporation, Assignor.

My commission expires 1-12-18



Lisa H. Emmons  
NOTARY PUBLIC, STATE AT LARGE

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, \_\_\_\_\_ (title) of CITY OF PADUCAH, KENTUCKY, a municipal corporation of the second class existing under the laws of the Commonwealth of Kentucky, and a body politic and corporate, on behalf of said entity, Assignee.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE

STATE OF KENTUCKY )

COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, \_\_\_\_\_ (title) of COUNTY OF MCCRACKEN, KENTUCKY, a body politic and corporate, on behalf of said body, Assignee.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE

This instrument prepared by:

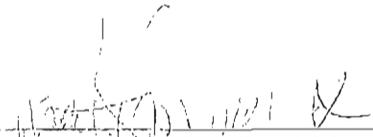
  
\_\_\_\_\_  
DENTON & KEULER, LLP  
P. O. Box 929  
Paducah, KY 42002-0929

EXHIBIT A  
SEE ATTACHMENT

**LEASE AGREEMENT**

**By and Between**

**PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

**Lessor**

**and**

**MACCO ORGANIQUES CORPORATION**

**Lessee**

**Dated as of:**

**May 31, 2013**

**Project Site: 5455 Commerce Drive  
Paducah, Kentucky**

## LEASE AGREEMENT

This Lease Agreement (this "Lease"), made and entered into as of the 31st day of May, 2013, by and between **PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**, a governmental agency and instrumentality of the City of Paducah and the County of McCracken, Kentucky, (the "Lessor"), with a principal mailing address of Post Office Box 1155, Paducah, Kentucky 42002-1155, and **MACCO ORGANIQUES CORPORATION**, a Kentucky corporation (the "Lessee"), with a principal mailing address of 100 McArthur, Valleyfield, Quebec, Canada J6S 4M5, and a registered agent address in Kentucky of 4965 US Highway 42, Suite 2800, Louisville, Kentucky 40222, **MCCRACKEN COUNTY, KENTUCKY** ("County"), with a principal mailing address of 300 South 7th Street, Paducah, Kentucky 42003; and **CITY OF PADUCAH, KENTUCKY** ("City"), with a principal mailing address of Post Office Box 2267, Paducah, Kentucky 42002-2267, join in this Lease for the purposes hereinafter set forth (Lessor, Lessee, City, and County may collectively be referred to as the "Parties" and singularly be referred to as a "Party");

### WITNESSETH

WHEREAS, capitalized terms used and not otherwise defined in this preamble shall have the respective meanings ascribed thereto in Section 1 of this Lease set forth below; and

WHEREAS, the Lessor has a compelling public interest in fostering economic development and promoting the development of a skilled workforce, all to the benefit of the citizens and residents of the city of Paducah and the county of McCracken, Kentucky; and

WHEREAS, the Lessor owns the Building and has determined that it is in the best interests of the City and the County, that Lessor or its assigns construct the Project Improvements to the Building located on the Project Site utilizing the Construction Allowance, and that the Lessor rent the Building as improved and the Project Site (collectively, the "Premises") to Lessee for the purposes of locating, installing, equipping, operating and managing an industrial/distribution facility and other lawful purposes, and the hiring and maintaining 40 new full-time employees at the Premises, all as more particularly set forth in the MOU (the "Project"), which will promote the public purpose of the Lessor and the City and the County; and

WHEREAS, the Lessee desires to rent the Premises from the Lessor for the rentals, and upon the terms and conditions, hereinafter set forth; and

WHEREAS, it is appropriate at this time that this Lease be consummated by and between the parties.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING PREMISES, WHICH ARE INCORPORATED AS A PART OF THIS LEASE, AND IN FURTHER CONSIDERATION OF THE TERMS, COVENANTS AND CONDITIONS HEREIN SET FORTH AND CONTAINED HEREIN AND IN THE MOU, THE LESSOR AND THE LESSEE MUTUALLY COVENANT AND AGREE AS FOLLOWS:

SECTION 1. Definitions.

Unless the context clearly indicates some other meaning, the following words and terms shall, for all purposes of this Lease, have the following meanings:

*"Additional Rent"* shall mean, collectively, all expenses, costs and disbursements of every kind and nature in respect to or in connection with (i) the Project Improvements in excess of the Construction Allowance, (ii) the Lessee Improvements, (iii) the operation, repair, replacement, and maintenance of the Premises, (iv) the insuring of the Premises as herein provided, (v) all ad valorem taxes assessed against the Premises, if any, and (vi) any amounts payable pursuant to Sections 17 or 18 of this Lease.

*"Authorized Officer"* shall mean, with respect to (i) the Lessor, the President/CEO and any officer, agent or employees duly authorized by ordinance or resolution of the Lessor to perform the act or sign the document in question, and (ii) the Lessee, the President and any other of its officers, agents or employees duly authorized by resolution of the Lessee to perform the act or sign the document in question.

*"Base Rent"* shall mean the annual payments from Lessee to Lessor, as set forth in Section 3 of this Lease.

*"Building"* shall mean that certain existing spec building as improved by the Project Improvements located on the Project Site.

*"City"* shall mean the City of Paducah, Kentucky, a municipal corporation and political subdivision of the Commonwealth of Kentucky.

*"Construction Allowance"* shall mean up to and not to exceed \$2.5 million committed by the City and the County pursuant to the MOU for the construction of the Project Improvements on the Project Site.

*"County"* shall mean the County of McCracken, Kentucky, a county and political subdivision of the Commonwealth of Kentucky.

*"Employment Commitment"* shall mean the commitment of Lessee as set forth in Section B. 4 and Section C of the MOU in exchange for the Employment Commitment Rent (as hereafter defined) to hire and maintain a minimum of 40 new full-time employees on the Premises for either (i) twenty-four (24) consecutive months during the Initial Term, or (ii) by the last twelve (12) consecutive months of the Initial Term of this Lease, for an average hourly salary of such employees at the Premises being a minimum of \$16.00 per hour, and which employees will be provided with health insurance benefits to the extent available under applicable laws, rules and regulations, including the Patient Protection and Affordable Care Act (Public Law 111-148), at commercially reasonable rates with an estimate of 50% employer contribution.

*"Event of Default"* means an event described in Section 17 of this Lease.

*"Interest Rate for Advances"* means ten percent (10%) per annum.

"Lease" shall mean this agreement dated as of May 31, 2013, by and between the Lessor and the Lessee and the other Parties, as amended or supplemented from time to time in accordance with the terms hereof.

"Lease Rental Payments" means Base Rent and Additional Rent, which constitute the payments payable by the Lessee for and in consideration of the right to use the Premises.

"Lessee" shall mean MACCO ORGANIQUES CORPORATION, a Kentucky corporation.

"Lessee Improvements" design, construction, installation, maintenance, repair, and replacement of a spur track on the Project Site pursuant to plans and specifications approved by Lessor and Lessee (the "Project Plans"), and a portion of the cost of which may be funded from the Construction Allowance as contemplated by the MOU.

"Lessor" shall mean the Paducah-McCracken County Industrial Development Authority, a governmental agency and instrumentality of the City of Paducah and the County of McCracken, Kentucky, its successors and assigns.

"MOU" shall mean that certain Memorandum of Understanding among the Lessor and the Lessee relating to the Project, executed by the respective parties thereto on April 11, 2013, as the same may be amended or supplemented from time to time in accordance with its terms, and which MOU is hereby incorporated as a part of this Lease. The Parties hereby acknowledge and agree that notwithstanding the terms of the preambles of the MOU, there is no subsequent agreement among them regarding the matters contemplated by the MOU, and that the MOU is and shall be deemed to be an enforceable agreement among them.

"Premises" shall mean, collectively, the Building, the Project Improvements and the Project Site.

"Project" shall mean the locating, installing, equipping, operating and managing an industrial/distribution facility by Lessee, and the efforts of Lessee to meet the Employment Commitment, all as more particularly set forth in this Lease and the MOU.

"Project Improvements" shall mean the renovation of the Building and site preparation of the Project Site to create a space and environment reasonably suitable for the operation of the Project as contemplated by the Project Plans. The renovation of the Building shall be designed and completed in such manner and to such standards as to comply with state, local and federal regulations applicable thereto.

"Project Site" shall mean the site on which the Building is located and the Project Improvements and the Lessee Improvements are to be located and Lessee is to equip, operate and manage the Project, which site is generally located at 5455 Commerce Drive, Paducah, McCracken County, Kentucky, and is more particularly described in Exhibit A attached hereto.

## SECTION 2. Term; Renewal Terms.

In consideration of the representations, warranties, covenants and conditions set forth herein, the Lessee hereby leases from the Lessor, and the Lessor hereby lets to the Lessee, the Premises for a term of five (5) years (the "Term"), which Term shall commence on the date a certificate of occupancy for the Premises has been issued by the appropriate governmental authority (the "Commencement Date") (the "Initial Term").

Provided Lessee is not then in default under this Lease beyond any applicable grace or curative period, the Term of this Lease may be renewed for up to three (3) successive terms of five (5) years each (each a "Renewal Term"). At the expiration of the Initial Term, this Lease shall automatically renew for the first Renewal Term, unless either Lessor or Lessee provides written notice to the other Party of its intent not to renew this Lease at least sixty (60) days prior to the expiration of the Initial Term. Thereafter Lessee may elect to extend the Term by delivering written notice to Lessor at least sixty (60) days prior to the expiration of the first and subsequent Renewal Terms. Each Renewal Term shall be subject to all covenants, terms, conditions and obligations set forth and contained in this Lease, except for possible adjustments in the amount of the Base Rent due during a Renewal Term as hereinafter provided.

## SECTION 3. Rental.

During the Initial Term, Lessee agrees to pay as Base Rent for the Premises the sum of \$1.00 annually.

Provided that Lessee meets the Employment Commitment during the Initial Term and each Renewal Term of this Lease, then the Base Rent payable during the initial and subsequent Renewal Terms shall remain \$1.00 per year (the "Employee Commitment Rent"). In the event Lessee fails to meet the Employment Commitment during the Initial Term or any Renewal Term of this Lease, Lessee shall pay as annual Base Rent during the following Renewal Term an amount equal to the lesser of (i) market lease rates for comparable light industrial space in the Paducah market as certified by three (3) local appraisers, one appraiser to be selected by each of Lessor and Lessee, and the third appraiser to be selected by the agreement of Lessor and Lessee, or the other two appraisers in the event no agreement is so reached on the third appraiser by Lessor and Lessee, or (ii) \$3.00 per square feet x 60,000 square feet agreed area of the Building. The Base Rent shall be paid in advance in equal annual installments on the first (1<sup>st</sup>) day of May for each and every calendar year during each Renewal Term.

Additionally, during the Initial Term and each Renewal Term, Lessee shall be responsible and agrees to pay, all expenses and costs related to (i) the Project Improvements in excess of the Construction Allowance, (ii) the Lessee Improvements, (iii) the operation, repair, replacement, and maintenance of the Premises, (iv) the insuring of the Premises as required pursuant to this Lease, (v) any ad valorem taxes assessed against the Premises, and (v) any amounts payable by Lessee pursuant to Sections 17 or 18 of this Lease ("Additional Rent"). Any such amounts due as Additional Rent shall be paid by Lessee as the same become due and payable.

All Lease Rental Payments hereunder shall be made without notice, demand, setoff, defense, deferment or deduction at the times and in the manner set forth above.

#### SECTION 4. Use of the Premises.

The Premises shall be occupied and used by Lessee for the Project. Lessee shall not alter or change the use of the Premises without obtaining the prior written permission of Lessor, which consent will not be unreasonably delayed, withheld or conditioned. No use shall be made or permitted of the Premises or any part thereof, nor any acts done which shall constitute a nuisance, it being acknowledged, however, that the anticipated uses of the Project contemplated by this MOU and this Lease and which are otherwise in compliance with applicable zoning and other laws, rules and regulations, shall not be deemed to be a nuisance.

Lessee shall use its best efforts to comply with all governmental rules, regulations, ordinances, statutes and laws now in force or which may hereafter be in force pertaining to the Premises and to Lessee's use thereof; provided, however, that during the Term of this Lease, Lessor shall not consent to or permit any change in any zoning or land use regulations which would render the use of the Premises for the Project unlawful or as a conditional use. Should Lessee inadvertently violate any of the same, Lessee shall, as soon as reasonably possible after discovery of any such violation, take all measures reasonably necessary to comply with the law.

#### SECTION 5. Delivery of the Premises.

Pursuant to the MOU, the City and the County have committed to (i) fund the Construction Allowance in an amount up to and not to exceed \$2,500,000.00 to be remitted by Lessor, with Lessee's approval (which approval shall not be unreasonably delayed, withheld or conditioned), in payment for the construction of the Project Improvements on the Project Site, and (ii) cause, supervise, and oversee, through its duly authorized agents, the design, construction and completion of the Project Improvements in such manner and to such standards as to comply with state, local and federal regulations applicable thereto and to create a space and environment reasonably suitable for the operation of the Project. Lessee shall be solely responsible, at its own cost, for the design and construction of the Project Improvements in excess of the Construction Allowance. On the Commencement Date, Lessee shall accept the Premises, take possession of the Premises, and open the Premises for operations. In the event Lessee does not open the Premises for operations within six (6) months of the Commencement Date, Lessee agrees to pay a monthly Base Rent of \$5,000 each month until operations begin at which time the Base Rent will return to \$1.00 annually.

Upon the Commencement Date, Lessee shall accept the Premises in its existing condition and state of repair. Lessee agrees that no representations, statements or warranties expressed or implied have been made by or on behalf of Lessor in respect thereto except as contained in this Lease. Except for the Project Improvements, Lessee agrees that Lessor shall not be obligated to make any other improvements, alterations, or repairs to the Premises.

When the Commencement Date has been determined, Lessee shall execute, acknowledge and deliver to Lessor the written statement attached hereto as **Exhibit B** specifying the actual Commencement Date.

Prior to the Commencement Date, Lessee shall be permitted reasonable access to the Premises, after written notice, in order to complete the Lessee Improvements for which it is

responsible and to otherwise make approved improvements the Building and Premises, provided that Lessee shall not interfere with the progress of construction conducted by Lessor (or its assigns) or with its workmen in accordance with the Project Plans (provided, that Lessee shall be permitted reasonable access to the Premises, in all instances to oversee the Project Improvements). Lessor will not be liable for any injury resulting from Lessee's access to and presence upon the Premises pursuant to this paragraph. If Lessee shall occupy the Premises prior to the Commencement Date but not open for business, such occupancy by Lessee shall be deemed to be that of a Lessee under all of the terms, covenants, and conditions of this Lease, except that the obligation to pay the Lease Rental Payments shall not be due and payable until the Commencement Date.

From and after the date of this Lease, each of Lessor and Lessee shall maintain builder's risk insurance with regard to the Project Improvements and the Lessee Improvements, respectively, conducted thereby as contemplated by this Lease. Further, from and after the date of this Lease through the Commencement Date, Lessor shall, at its sole cost and expense, carry and maintain for the mutual benefit of Lessor and Lessee, as their respective interests may appear, a policy of fire and extended coverage insurance insuring the Building and Premises against damage and destruction by all causes generally insured against in policies of fire and extended coverage insurance written on properties in McCracken County, Kentucky including earthquake and flood insurance for the replacement cost of the Project Improvements completed by Lessor or its assigns prior to the Commencement Date, as determined by the insurance company issuing such policy of insurance, with Lessor bearing the risk of loss during such period. If a casualty occurs to the Premises prior to the Commencement Date, the proceeds of all such insurance policies may be used by Lessor, if adequate, to restore the Building and the Premises, unless Lessor elects, at its sole option to cancel this Lease within thirty (30) days after the occurrence of any such casualty, in which event this Lease shall become void and of no effect. If Lessor does not so cancel this Lease, Lessor shall rebuild the Building and restore the Premises as soon as possible, in which event this Lease shall remain in full force and effect. However, under no circumstances shall Lessee have any direct interest in any insurance proceeds attributable to said casualty except as contemplated above.

#### SECTION 6. Release and Indemnification Covenants.

(a) Lessee will and hereby agrees to indemnify and save the Lessor harmless against and from any or all claims, by or on behalf of any person, firm, corporation or other legal entity, and all liabilities, obligations, losses and damages whatsoever, and the expenses, penalties and fees in connection therewith (including reasonable attorney's fees and expenses), arising from or as a result of the occupancy or use of the Premises by Lessee, or the operation or management of the Project at the Premises during the Initial Term and each Renewal Term of this Lease (collectively, "Lessee Indemnified Claims"), including, but not limited to: (i) any condition of the Premises for which Lessee is responsible from and after the Commencement Date; (ii) any act of negligence of the Lessee or of any of the agents, contractors or employees of Lessee, or any violation of law by the Lessee or breach of any covenant or warranty by the Lessee hereunder; (iii) any accident on the Premises resulting in damage to property or injury or death to any person and not caused by the negligence or malfeasance of Lessor; (iv) the incurring of any cost or expense in connection with the Project in excess of the Construction Allowance; and (v) the presence or alleged presence of any Hazardous Substances (as hereafter defined) on, in or

under the Premises arising from or as a result of the occupancy or use of the Premises by Lessee. The Lessee will indemnify and save the Lessor harmless from any such Lessee Indemnified Claims, or in connection with any action or proceeding brought thereon and, upon notice from the Lessor, will defend or pay the cost of defending such indemnitee, in any such action or proceeding.

(b) Lessor will and hereby agrees to indemnify and save the Lessee harmless against and from any or all claims, by or on behalf of any person, firm, corporation or other legal entity, and all liabilities, obligations, losses and damages whatsoever, and the expenses, penalties and fees in connection therewith (including reasonable attorney's fees and expenses), arising from or as a result of the negligent acts or omissions of Lessor, its agents, contractors and employees, on or with respect to the Premises during the Initial Term and each Renewal Term of this Lease (collectively, "Lessor Indemnified Claims"), including, but not limited to: (i) the presence or alleged presence of any Hazardous Substances (as hereafter defined) on, in or under the Premises as of the date of this Lease; (ii) any act of negligence of the Lessor or of any of the agents, contractors or employees of Lessor, or any violation of law by the Lessor or breach of any covenant or warranty by the Lessor hereunder; (iii) any accident resulting in damage to property or injury or death to any person caused by or related to the negligent act or omission of Lessor, its agents, contractors or employees; and (iv) any cost or expense in connection with the Project which is to be paid from the Construction Allowance. The Lessor will indemnify and save the Lessee harmless from any such Lessor Indemnified Claims, or in connection with any action or proceeding brought thereon and, upon notice from the Lessee, will defend or pay the cost of defending such indemnitee, in any such action or proceeding.

The indemnification arising under this Section 6 will continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of this Lease for any reason; provided, however, that nothing herein shall give rise to an obligation to indemnify for any actions arising after the date of termination of this Lease.

#### SECTION 7. Insurance of Project.

On the Commencement Date and during the Initial Term and each Renewal Term of this Lease, Lessee shall, at its sole cost and expense, carry and maintain for the mutual benefit of itself and Lessor, as their respective interests may appear, a policy of fire and extended coverage insurance insuring the Premises and the Lessee Improvements and all additions, alterations, and improvements to the same, against damage and destruction by all causes generally insured against in policies of fire and extended coverage insurance written on properties in McCracken County, Kentucky including earthquake and flood insurance for the replacement cost of the Project Improvements, as determined by the insurance company issuing such policy of insurance but in no event shall the amount of such insurance be less than \$9.0 million. Such policy of insurance shall bear an endorsement to the effect that the insurer agrees to notify the Lessor not less than thirty (30) days in advance of any modification or cancellation thereof. Such policy of insurance shall be issued by an insurance company licensed to do business within the Commonwealth of Kentucky and shall be in a form acceptable to Lessor. Lessee shall, upon demand, provide evidence satisfactory to Lessor of the payment of such premiums and of the renewal of such policy of insurance. Further, Lessee shall maintain insurance coverage for the contents of the Premises. Lessor will not be responsible for contents belonging to the Lessee or

any other party in the event of damage or loss.

Additionally, on the Commencement Date and during the Initial Term and each Renewal Term of this Lease, Lessee shall, at its sole cost and expense, carry and maintain for the mutual benefit of itself and Lessor, as their respective interests may appear, Public Liability Insurance, with a combined single limit for bodily injury and property damage of not less than \$1.0 Million (\$1,000,000), with a reputable insurance company licensed to do business in the Commonwealth of Kentucky covering the Premises and the Lessee Improvements. Such policy of insurance shall bear an endorsement to the effect that the insurer agrees to notify the Lessor not less than thirty (30) days in advance of any modification or cancellation thereof. Such policy of insurance shall be in a form acceptable to Lessor. Lessee shall, upon demand, provide evidence satisfactory to Lessor of the payment of such premiums and of the renewal of such policy of insurance. In addition, Lessee shall cause to be issued and shall maintain during the term of this Lease such Worker's Compensation and disability insurance as may, from time to time, be required by applicable city, county, state or federal laws.

#### SECTION 8. Operation, Maintenance and Repair of the Premises.

The Lessee agrees to take good care of the Premises, to maintain and repair the same at the expense of the Lessee, to keep all of the Premises and the Lessee Improvements in good repair, working order and first class condition, and to return the same in as good condition as when received by the Lessee, ordinary wear and tear excepted. The Lessee further agrees to pay any and all (i) improvement assessments of any kind whatsoever against the Premises hereby leased made from and after the Commencement Date, (ii) costs of collection of waste generated at the Premises, (iii) landscaping maintenance and snow removal costs, (iv) costs of janitorial services, (v) utility costs and charges, whether public or private, (vi) personal property taxes, if applicable, and (vii) general real estate taxes, if applicable to the Premises. The Lessee has and does hereby covenant for the benefit of the Lessor that it will accept custody, control, domination and possession of the Premises on the Commencement Date, and, at all times during the terms of this Lease to either operate, maintain and repair the Premises and the Lessee Improvements itself in accordance with the terms of this Lease. Lessor shall have no obligation to maintain or repair the Premises.

#### SECTION 9. Lessee Improvements: Alteration of Project: Additional Improvements.

Lessee shall have the right from and after the date of this Lease to commence the Lessee Improvements. Lessee shall also have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Building and the Project Improvements as Lessee from time to time may deem necessary or advisable; provided, however, Lessee shall not make any addition, change or alteration without the prior written approval of Lessor, which approval will not be unreasonably delayed, withheld or conditioned, and which consent will be deemed given if any such request is not either approved or denied with specificity by Lessor within thirty (30) business days after submission by Lessee. Any denial of approval shall be accompanied by a detailed explanation of the conditions upon which approval of such request shall be granted by Lessor. The Project Improvements, the Lessee Improvements and all other additions, changes and alterations made by Lessee pursuant to the authority of this Section 9 shall (a) be made in a workmanlike manner and in compliance with all subdivision regulations, laws and ordinances applicable thereto, (b) when commenced, be

prosecuted to completion with due diligence without delay or abatement in Lessee's payment of Lease Rental Payments due hereunder, subject to casualty, Force Majeure (as hereinafter defined) and other matters beyond the control of Lessee, and (c) when completed, be deemed a part of the Project Site and the separate and absolute property of Lessor; provided, however, that trade fixtures and additions by Lessee to the Premises of furnishings, machinery and equipment purchased and installed by Lessee with its own funds (i.e., funds other than the Construction Allowance) and not constituting the Project Improvements, the Lessee Improvements or repairs, renewals, or replacements of items constituting a part of the Premises shall remain the property of Lessee and may be removed by Lessee at any time during the term of this Lease; provided further, however, that all such additional furnishings, machinery and equipment which remain on the Project Site after the date falling sixty (60) days after the date of termination of this Lease shall become the separate and absolute property of Lessor.

#### SECTION 10. No Hazardous Wastes.

From and after the Commencement Date, Lessee shall not cause or permit the release or disposal of any Hazardous Substances (as hereafter defined) on or about the Premises, except for normal and customary use and disposal of substances customarily used in connection with the use of the Premises permitted under this Lease and used in accordance with all applicable laws, rules and regulations, such as cleaning agents. For purposes of this Lease, "Hazardous Substances" shall mean all substances, wastes and materials which are defined as hazardous, toxic or dangerous in, or the use of which is otherwise regulated by, the Comprehensive Environmental/Environmental Response Compensation and Liability Act of 1980, as amended, 42 USC Section 6901 et seq., and the Toxic Substance Control Act, as amended, 15 USE Section 2601 et seq. To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor harmless from and against any claims or liability, including reasonable attorneys' fees and costs, arising out of or connected with Lessee's failure to comply with the terms of this Section 10, which terms shall survive the expiration or earlier termination of this Lease.

#### SECTION 11. Utilities.

From and after the Commencement Date, Lessee shall pay all charges for utilities (including gas, electric, water and telephone) furnished to the Premises during the Initial Term and each Renewal Term of this Lease. Lessor shall not be responsible for the quality, quantity, interruption or failure in the supply of any utility to the Premises when said supply is so affected as a result of conditions beyond the control of Lessor.

#### SECTION 12. Damage or Destruction of the Project Improvements.

In the event destruction, total or partial, shall ensue so as to make the Project Improvements unusable for the purposes for which the same is to be occupied, such damage or destruction shall not relieve the Lessee of any obligations hereunder, but the Lessee agrees that it will be bound by the terms of this Lease and will continue to pay the Lease Rental Payments. Provided, that the proceeds of applicable insurance coverage will be applied, if adequate, to the rebuilding or repair of the Project Improvements unless otherwise agreed by Lessee and Lessor.

SECTION 13. Condemnation.

The term "condemnation" as used in this Lease shall mean the exercise of the power of eminent domain by any person, entity, body agency or authority, or private purchase in lieu of eminent domain, and the date of condemnation shall mean the day on which the actual physical taking of possession pursuant to the exercise of said power of eminent domain, or private purchase in lieu thereof, occurs, or the date of settlement or compromise of the claim of the parties thereto during the pendency of the exercise of said power, whichever first occurs.

In the event the entire Premises are condemned, or so much thereof that in Lessee's reasonable judgment the Premises are no longer suitable for the continuation of the Project or its business then being conducted therein, then, in either event, this Lease shall terminate on the date of condemnation. In the event only a part of the Premises is condemned and, in Lessee's reasonable judgment, the part not condemned remains reasonably suitable for Lessee's continued occupancy and conduct of the Project or its business thereon, this Lease shall, only as to the part so taken, terminate on the date of condemnation, and the Lease Rental Payments shall thereupon be reduced proportionately for the area of the Premises taken.

Whether or not this Lease is terminated pursuant to this Section, Lessee shall have no claim against Lessor or be entitled to any part or portion of the amount that may be paid or awarded to Lessor as compensation and/or damages for the condemnation of the Premises. Lessee shall be entitled to seek to recover as against the condemnor, and Lessor shall have no claim for or thereto, for the loss of the value of Lessee's leasehold interest, the Lessee's trade fixtures and any removable structures and improvements erected and made by Lessee to or upon the Premises which Lessee is entitled to remove at the expiration of this Lease, and for such other claims available to Lessee under applicable law. The foregoing notwithstanding and to the extent permitted by law, the Parties agree not to initiate a condemnation of the whole of the Premises during the Term of this Lease.

SECTION 14. Lessee to Have Exclusive Possession of the Premises.

During the term of this Lease, the Lessee shall have full possession, control and operation of the Premises, and the Lessee agrees that it will, at its own expense, operate the same or cause the same to be operated according to acceptable public standards and in such manner as to promote and preserve the public safety, health, convenience, fire protection and general welfare of the inhabitants of the City and the County, provided, that such covenant shall not create any right of access or claim in favor of the general public in or to the Premises.

SECTION 15. Subordination And Attornment.

This Lease shall be subject to and subordinate and inferior at all times to the lien of any mortgage or other method of financing or refinancing now or hereafter existing against all or a part of the Premises, and to all renewals, modifications, replacements, consolidations and extensions of any of the foregoing, provided that the holder of any such indebtedness executes and delivers to Lessee a subordination, non-disturbance and attornment agreement providing that Lessee's leasehold interest in the Premises shall not be disturbed for so long as Lessee is in compliance with the terms of this Lease and which includes such other normal and customary

provisions as are reasonably acceptable to Lessee. Attached hereto and made a part hereof as Exhibit C is a copy of a title insurance commitment which lists all matters of record to which the Premises is subject as of May 15, 2013 (the "Existing Title Matters"). Lessee shall execute and deliver all documents reasonably requested by any mortgagee or security holder to effect such subordination, non-disturbance and attornment. Lessee's failure to execute and deliver such documents or instruments provided for in this Section 15 within ten (10) days after the receipt by Lessee of a written request shall constitute a default under this Lease. (The cost and expense of a title insurance policy shall be at the sole cost and expense of Lessee.)

If the holder of any mortgage or deed to secure debt shall hereafter succeed to the rights of Lessor under this Lease, Lessee shall attorn to and recognize such successor as Lessee's lessor under this Lease, and shall promptly execute and deliver any instrument that may be necessary to evidence such attornment. If any such successor requests such attornment, this Lease shall continue in full force and effect as a direct lease between such successor, as lessor and Lessee, subject to all of the terms, covenants and conditions of this Lease, regardless of whether Lessee executes and delivers the instrument requested by such successor Lessor.

#### SECTION 16. Estoppel Certificates.

At any time, but not more often than twice in any calendar year, Lessee, on or before the date specified in a written request therefor, made by Lessor, which date shall not be earlier than ten (10) days from the making of such request, shall execute, acknowledge and deliver to Lessor a certificate evidencing whether or not: (a) this Lease is in full force and effect; (b) this Lease has been amended in any way; (c) there are any existing defaults hereunder to the knowledge of Lessee and specifying the nature of such defaults if any; (d) the amount of the Lease Rental Payments and the dates to which the Lease Rental Payments have been paid; and (e) the Project Improvements to the Project Site required of Lessor have been made and accepted by Lessee. Each certificate delivered pursuant to this Section may be relied on by any prospective purchaser or transferee or the holder or prospective holder of any mortgage of the Premises or of Lessor's interest hereunder.

#### SECTION 17. Default Provisions.

This Lease is made on condition that if (each of the following events being deemed an "Event of Default" under the provisions of this Lease):

(a) Lessee fails to punctually pay any Base Rent or Additional Rent as the same becomes due and as provided in Sections 3 and 5 of this Lease, and such failure continues for ten (10) days after written notice of such failure from Lessor; or

(b) Lessee shall fail to observe and perform any other agreement, term or condition contained in this Lease, and such failure or neglect continues unremedied for a period of thirty (30) days after written notice thereof to Lessee, or if the default is of such a nature which cannot be cured within such 30-day period, Lessee shall have not commenced to cure the same within such 30-day period and thereafter prosecute such cure to completion within sixty (60) days; or

(c) Lessee shall fail to satisfy the Employment Commitment during the Initial Term of this Lease; or

(d) Lessee shall fail to timely complete the Lessee Improvements in accordance with Section 9 or the other provisions of this Lease;

(e) Lessee abandons or vacates the Premises for a period in excess of sixty (60) consecutive days other than due to casualty or Force Majeure; or

(f) The Lessee shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the Federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other Federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property;

then Lessor may take any one or more of the following remedial steps, in addition to all other remedies available at law or equity:

(i) Declare all installments of Base Rent as well as any Additional Rent for the remainder of the then current Term to be immediately due and payable, whereupon the same shall become immediately due and payable.

(ii) Lessor may then or at any time thereafter, and while such default shall continue, give Lessee written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than ten (10) days after such notice is given, and, if all defaults have not then been cured, on the date so specified, Lessee's rights to possession of the Premises shall cease and this Lease shall thereupon be terminated, and Lessor may re-enter and take possession of the Premises; and as an alternative remedy Lessor may at Lessor's election, without terminating this Lease or the term thereof, re-enter the Premises and take possession thereof, as agent for Lessee, and having elected to re-enter and take possession of the Premises without terminating this Lease or the term thereof, Lessor shall use reasonable diligence to relet the Premises, or parts thereof for Lessee's account, for such term or terms and at such rental and upon such other terms and conditions as Lessor may deem advisable, with the right to make alterations and repairs to the Premises, and no such re-entry or taking of possession of the Premises by Lessor shall be construed as an election on Lessor's part to terminate this Lease, and no such re-entry or taking of possession by Lessor shall relieve Lessee of its obligation to pay Base Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under this Lease, all of which shall survive such re-entry or taking of possession, and Lessee shall continue to pay the Base Rent and Additional Rent provided for in this Lease until the end of the current term thereof and whether or not the Premises shall have been relet, less the net proceeds, if any, of any reletting of the Premises after deducting all of Lessor's reasonable expenses in connection with such reletting, including without limitation all reasonable repossession costs, brokerage

commissions, legal expenses, expenses of employees, and reasonable costs and expenses of preparation for reletting including the reasonable cost of any alterations that may be necessary in connection therewith. Any such reletting may be effected by private negotiation and without public advertisement. Having elected to re-enter or take possession of the Premises without terminating the term of this Lease, Lessor may, by notice to Lessee given at any time thereafter while Lessee is in default in the payment of Base Rent or Additional Rent or in the performance of any other obligation under this Lease, elect to terminate this Lease on a date to be specified in such notice, which date shall be not earlier than ten (10) days after the giving of such notice, and if all defaults shall not have then been cured, on the date so specified, this Lease shall thereupon be terminated. If in accordance with any of the foregoing provisions of this Section 17, Lessor shall have the right to elect to re-enter and take possession of the Premises, Lessor may enter and expel Lessee and those claiming through or under Lessee and remove the property and effects of both or either.

(iii) Lessor may at Lessor's election appoint a receiver or receivers of the Premises and of all rents, revenues, issues, earnings, income, products and proceeds thereof, with such powers as the court making such appointment shall confer. At the request of Lessor, Lessee shall consent to the appointment of any such receiver.

Notwithstanding the foregoing, if, by reason of Force Majeure, the Lessee is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under this Section 17, the Lessee shall not be deemed in default during the continuance of such inability. However, the Lessee shall promptly give notice to the Lessor of the existence of an event of Force Majeure and shall use its commercially reasonable efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances involving employees of the Lessee shall be entirely within their discretion.

The term "Force Majeure" as used in this Lease shall mean, without limitation, the acts of God; strikes, or lockouts of the Lessee; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornados; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation.

The declaration of an Event of Default and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of Federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

The provisions of this Section 17 are subject to the further limitation that a declaration of an Event of Default under this Section 17 by the Lessor may be waived or rescinded in writing by the Lessor, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

SECTION 18. Performance of Lessee's Obligations by Lessor.

If Lessee shall fail to keep or perform any of its obligations as provided in this Lease in respect of (a) maintenance of insurance, (b) repairs and maintenance of the Project, (c) compliance with legal or insurance requirements hereunder, (d) keeping the Premises lien free, or (e) the making of any other payment or performance of any other obligation, then Lessor may (but shall not be obligated so to do) upon the continuance of such failure on Lessee's part for thirty (30) days after written notice of such failure is given Lessee by Lessor, or such longer period as is necessary to cure such failure which due to the nature thereof cannot be cured within such thirty (30) day period (provided Lessee shall have initiated action to cure the default within the thirty (30) day period), and without waiving or releasing Lessee from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by Lessor and all necessary incidental costs and expenses incurred by Lessor in performing such obligation shall be deemed Additional Rent and shall be paid to Lessor on demand with interest thereon from the date of such payment at the Interest Rate for Advances, and if not so paid by Lessee, Lessor shall have the same rights and remedies as provided for in Section 17 in the case of default by Lessee in the payment of the Lease Rental Payments.

SECTION 19. Attorneys' Fees and Expenses.

Should a default under the provisions of this Lease occur and the non-defaulting Party employ attorneys or incur other expenses for the enforcement of performance of any other obligation of the defaulting Party under this Lease, the defaulting Party shall on demand pay to the non-defaulting Party the reasonable fees of such attorneys and such other reasonable expenses so incurred; provided that such attorney's fees shall be allowed only to the extent actually paid and shall not be allowed to a salaried employee of the non-defaulting Party. If any such expenses sought from Lessee are not so reimbursed, the amount thereof, together with interest thereon from the date of demand for payment at the Interest Rate for Advances, shall constitute Additional Rent, and in any action brought to collect Lease Rental Payments, the Lessor shall be entitled to seek the recovery of those expenses in such action.

SECTION 20. Lessor's Right of Entry.

Lessee shall have exclusive possession of the Premises from and after the Commencement Date, and thereafter Lessor may from time to time enter the Premises during normal business hours of Lessee and upon at least three (3) business days' prior written notice, for any legitimate purposes related to Lessor's obligations under this Lease and for purposes of exhibiting the Premises to prospective purchasers or lessees.

SECTION 21. No Encumbrance, Mortgage or Pledge of the Premises.

The Lessee will not directly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Premises. Lessor will not hereafter permit the Premises to be encumbered except by the Existing Title Matters.

SECTION 22. Subleasing of the Premises; Assignment. Lessee shall not sublease, assign, transfer, or dispose of the Premises, or its interest under this Lease, except to an affiliate or subsidiary of Lessee or of MACCO Organiques Incorporated, without the prior written consent of Lessor. Any consent by Lessor to any assignment subject to Lessor approval shall not constitute a waiver of the necessity of such consent to any subsequent assignment. Each Sublessee, assignee or transferee shall assume and be deemed to have assumed this Lease and shall remain liable jointly and severally with Lessee for the payment of all Lease Rental Payments and for the due performance of all the terms, covenants, conditions and agreements herein contained on Lessee's part to be paid and performed for the Initial Term and each Renewal Term of this Lease. No sublease or assignment shall be binding on Lessor unless such sublessee, assignee or Lessee shall deliver to Lessor a counterpart of such Sublease, assignment and an instrument in recordable form which contains a covenant of assumption by the assignee or sublessee. No assignment by Lessee shall relieve Lessee of its obligations hereunder unless Lessor expressly so agrees in writing.

SECTION 23. Scope of the Agreement.

Except for the MOU, this Lease is and shall be considered to be the only agreement between the parties hereto as to the subject matter hereof, with the MOU and this Lease to be read together in the interpretation of the terms of the relationship among the Parties. In the event of any conflict between the express terms of the MOU and this Lease regarding the lease, improvement and use of the Premises, this Lease shall be controlling. Time is of the essence of this Lease.

SECTION 24. Further Covenants of Lessee and Lessor.

In addition to all other covenants, stipulations, obligations and agreements of the Lessee contained in this Lease, the Lessee covenants and agrees to comply, at all times during the Initial Term of this Lease and each Renewal Term, with the covenants and agreements of the Lessee set forth in the MOU, the provisions of which are incorporated herein by reference as fully as if set forth herein. In addition to all other covenants, stipulations, obligations and agreements of the Parties other than Lessee contained in this Lease, such Parties covenant and agree to comply, at all times during the Initial Term of this Lease and each Renewal Term, with the covenants and agreements of such Parties set forth in the MOU, the provisions of which are incorporated herein by reference as fully as if set forth herein.

SECTION 25. Holding Over.

In the event Lessee shall, with Lessor's consent, hold over after the expiration of an Initial Term and each Renewal Term hereof (without renewal of the Term), such holding over shall be construed to be a tenancy from month-to-month and shall be governed by the other terms, conditions and covenants contained in this Lease, except for Base Rent which Lessee shall pay at market lease rates in the Paducah market as certified by three (3) local appraisers selected as otherwise provided in Section 3 of this Lease.

SECTION 26. Binding Effect.

This Lease shall inure to the benefit of and shall be binding upon the Lessor and the Lessee and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 27. Amendments, Changes and Modifications.

This Lease may not be amended, changed, modified or altered, or any provision hereof waived, without the written consent of the Lessor and the Lessee.

SECTION 28. Invalidity of Provisions of Lease.

If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 29. Captions.

The captions or headings herein shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof.

SECTION 30. Execution of Counterparts.

This Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

SECTION 31. References to Attorneys' Fees.

Any covenant contained in this Lease to pay or to reimburse the payment of attorneys' fees shall be construed to include reasonable attorneys' fees through all proceedings, including, but not limited to, negotiations, administrative hearings, trials and appeals.

SECTION 32. Notices.

Except as otherwise specifically provided herein, the Lease Rental Payments and all notices, approvals, consents, requests and other communications hereunder shall be in writing and shall be deemed to have been given when delivered, if hand delivered or sent by a nationally recognized courier service, or three business day after postmarked if mailed by first class registered or certified mail, postage prepaid, addressed, if to the Lessor, at Paducah-McCracken County Industrial Development Authority, Post Office Box 1155, Paducah, Kentucky 42002-1155, or 300 South Third Street, Paducah, Kentucky 42003, Attention: President and CEO, with a copy to Denton & Keuler, L.L.P., 555 Jefferson Street, Suite 301, Paducah, Kentucky, 42001, Attention: Lisa H. Emmons; and if to the Lessee at \_\_\_\_\_, \_\_\_\_\_, Kentucky \_\_\_\_\_, with copy to Macco Organiques Incorporated, a Canadian corporation, 100 McArthur, Valleyfield, Quebec, Canada J6S 4M5, Attention: President. The Lessor and the Lessee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or

persons to whose attention the same shall be directed, but no such communication shall thereby be required to be sent to more than three addresses.

SECTION 33. Governing Law.

This Lease and the MOU shall be deemed to be contracts made under the laws of the Commonwealth of Kentucky and for all purposes shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. The parties hereby consent to the exclusive jurisdiction of the state courts sitting in McCracken County, Kentucky and/or the federal court for the Western District of Kentucky, Paducah Division with respect to all matters arising out of or related to this Lease.

SECTION 34. Surrender of the Premises upon Termination.

At the expiration or termination of this Lease for any reason, the Lessee shall surrender the Premises in as good condition as it was at the Commencement Date, reasonable and ordinary use, wear and tear excepted.

SECTION 35. RIGHTS RETAINED BY LESSOR TO RAIL SPUR SWITCH.

Lessor hereby retains for the benefit of Lessor, its invitees, agents, tenants, successors and assigns, the right, at any time, to access and connect, without compensation to Lessee, to the rail spur switch constructed by Lessee as a part of the Lessee Improvements on the Project Site for purposes of facilitating the construction of a rail spur on any property within Industrial Park West or any other property owned by Lessor in the area. This right shall survive Lessee's purchase of the Premises in accordance with Section 36 of this Lease and shall be contained within any such deed of conveyance from Lessor to Lessee.

SECTION 36. Lessee Right of First Refusal to Purchase Premises.

During the Term of this Lease, Lessee shall have a right of first refusal to purchase the Premises, including the Building and the Project Improvements (the "Refusal Right"). Such Refusal Right shall be triggered by Lessor's receipt of a binding offer from a bona fide third-party purchaser which has been accepted by Lessor subject to this Refusal Right (a "Bona Fide Contract"), and Lessee must exercise the Refusal Right within thirty (30) days after Lessee receives a copy of such fully-executed Bona Fide Contract from Lessor. If Lessee exercises the Refusal Right, Lessee shall purchase the Premises on the same terms and conditions as set forth in the Bona Fide Contract, except that Lessee shall have a minimum of sixty (60) days after exercise of the Refusal Right to close such purchase. If Lessee does not exercise its aforesaid right of first refusal within the time period provided, Lessee's right of first refusal shall terminate, in which event, Lessor shall be free to complete the sale. In the event of any default by Lessee hereunder, the Refusal Right shall immediately terminate.

[SIGNATURES APPEAR ON NEXT PAGE]



LESSEE:

Macco Organiques Corporation

By: Robert Briscoe

Title: President

PROVINCE STATE OF QUEBEC  
COUNTY OF CANADA

The foregoing instrument was sworn and acknowledged before me this 31st day of May , 2013, by Robert Briscoe the President of Macco Organiques Corporation, a Kentucky corporation, on behalf of said corporation, Lessee.

My commission expires August 16, 2015.

S. R. CVA, CA  
COMMISSIONER OF OATHS



COUNTY:

MCCRACKEN COUNTY, KENTUCKY

By: Van E. Hudson

Title: McCracken County Judge-Executive

COMMONWEALTH OF KENTUCKY )  
 ) ss  
COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this 3<sup>rd</sup> day of MAY, 2013, by Van E. Hudson, Judge-Executive (title) of the County of McCracken, Kentucky, on behalf of said entity.

My commission expires 5/21/2014.

William J. Carter  
NOTARY PUBLIC, STATE AT LARGE  
#415307

CITY:

CITY OF PADUCAH, KENTUCKY

By: Gayle Kaler  
Title: Mayor

COMMONWEALTH OF KENTUCKY )  
 ) ss  
COUNTY OF MCCRACKEN )

The foregoing instrument was sworn and acknowledged before me this 31<sup>st</sup> day of May, 2013, by Gayle Kaler, Mayor (title) of the City of Paducah, Kentucky, on behalf of said entity.

My commission expires 5/21/2013.

Claudia S. Meep  
NOTARY PUBLIC, STATE AT LARGE  
# 465407

EXHIBIT A

**Project Site: 5455 Commerce Center  
Paducah, Kentucky**

BEING TRACT C, CONSISTING OF 10.2007 ACRES, IN INDUSTRIAL PARK WEST, AS SHOWN ON THE WAIVER OF SUBDIVISION PLAT AT INDUSTRIAL PARK WEST TO CREATE NEW TRACT F AND REVISE TRACT C OF RECORD IN PLAT SECTION "L," PAGE 1308, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

SUBJECT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR INDUSTRIAL PARK WEST OF RECORD IN DEED BOOK, 1186, PAGE 67, AND RERECORDED IN DEED BOOK 1186, PAGE 643, IN THE AFORESAID CLERK'S OFFICE.

BEING A PART OF THE SAME PROPERTY CONVEYED TO PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, A KENTUCKY CORPORATION, BY DEED DATED APRIL 25, 1997, OF RECORD IN DEED BOOK 871, PAGE 672, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE

**EXHIBIT B**  
**Commencement Date Letter**

[Date]

Macco Organiques Corporation  
100 McArthur  
Valleyfield, Quebec, Canada J6S 4M5SRS  
Attention: President

Re: Lease Agreement dated May 31, 2013, between Macco Organiques Corporation, a Kentucky corporation ("Lessee") and Paducah-McCracken County Industrial Development Authority ("Lessor")

Ladies and Gentlemen:

The purpose of this letter is to confirm the following:

(i) The Commencement Date for the referenced Lease Agreement is \_\_\_\_\_.

(ii) The Initial Term of the Lease expires on \_\_\_\_\_.

Please acknowledge your agreement with the provisions of this letter by signing the extra copy of this letter and returning the same to the undersigned.

Sincerely yours,  
Paducah-McCracken County Industrial  
Development Authority  
By: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged and Agreed to By:

LESSEE: Macco Organiques Corporation

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT C

Copy of Current Title Commitment  
Reflecting Existing Title Matters

[Attached]

Exhibit C



Title Insurance Commitment

First American Title Insurance Company

Commitment

INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

This Policy contains an arbitration clause. All arbitrable matters when the Matter of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact: FIRST AMERICAN TITLE INSURANCE COMPANY 1 First American Way; Santa Ana, CA 92707.

TABLE OF CONTENTS

AGREEMENT TO ISSUE POLICY	1
CONDITIONS	2
SCHEDULE A	Insert
1. Commitment Date	
2. Policies to be Issued, Amounts and Proposed Insureds	
3. Interest in the Land and Owner	
4. Description of the Land	
SCHEDULE B-I - REQUIREMENTS	Insert
SCHEDULE B-II - EXCEPTIONS	Insert

AGREEMENT TO ISSUE POLICY

We agree to issue policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

- The Provisions in Schedule A.
- The Requirements in Schedule B-I.
- The Exceptions in Schedule B-II.
- The Conditions on Page 2

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

First American Title Insurance Company



*Dennis J. Gilmore*

Dennis J. Gilmore  
President

*Timothy Kemp*

Timothy Kemp  
Secretary

(This Commitment is valid only when Schedules A and B are attached)

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## CONDITIONS

### 1. DEFINITIONS

(a) "Mortgage" means mortgage deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your land is located.

### 2. LATER DEFECTS

The Exceptions in Schedule B – Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B – Section I are met. We shall have no liability to you because of this amendment.

### 3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

### 4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B – Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B – Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

### 5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.

**First American Title Insurance Company**

**Schedule A**

Issuing Office File No: 051713PM

\*Re: 5455 Commerce Drive, Paducah, KY 42001

1. Commitment Date: May 15, 2013, at 8:30 A.M.

2. Policy or Policies to be issued

(a) Owners Policy ALTA Owners 6-17-06

Amount of Insurance: \$TBD

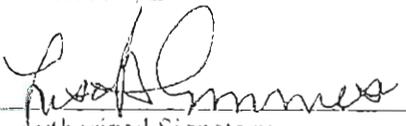
Proposed Insured. Paducah-McCracken County Industrial Development Authority

3. The estate or interest in the land described in this Commitment is fee simple, and at the effective date hereof vested in, Paducah-McCracken County Industrial Development Authority

4. The land referred to in this Commitment is described as follows:

See Description Attached

Denton & Keuler, LLP

By: 

Authorized Signatory

\*FOR COMPANY REFERENCE PURPOSE ONLY. NOT AN INSURING PROVISION

THIS COMMITMENT IS FURNISHED BY FIRST AMERICAN TITLE INSURANCE COMPANY OR ITS POLICY AGENT SOLELY FOR THE ISSUANCE OF A POLICY OR POLICIES OF TITLE INSURANCE OF FIRST AMERICAN TITLE INSURANCE COMPANY. THIS COMMITMENT IS NOT AN ABSTRACT OR AN OPINION OF TITLE. LIABILITY UNDER THIS COMMITMENT IS DEFINED BY AND LIMITED TO THE TERMS AND CONDITIONS OF THIS COMMITMENT AND THE TITLE INSURANCE POLICY TO BE ISSUED. PERSONS AND ENTITIES NOT LISTED ABOVE AS PROPOSED INSURED ARE NOT ENTITLED TO RELY UPON THIS COMMITMENT FOR ANY PURPOSE. PLEASE VISIT [HTTP://WWW.FIRSTAM.COM](http://www.firstam.com) WHERE PREMIUMS MAY BE CALCULATED AND OTHER TITLE RELATED CHARGES ARE LISTED.

LEGAL DESCRIPTION

Being Tract C consisting of 10.2007 acres as shown on the Waiver of Subdivision at the Industrial Park West to create new Tract F and revise Tract C of record in Plat Section L, page 1308, in the McCracken County Court Clerk's Office.

Being a part of the same property conveyed to Paducah-McCracken County Industrial Development Authority by deed dated April 25, 1997, of record in Deed Book 871, page 672, in the McCracken County Court Clerk's Office.

## First American Title Insurance Company

### SCHEDULE B – SECTION I REQUIREMENTS

Issuing Office File No: 051713PM

The following requirements must be met:

1. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
2. Pay us the premiums, fees and charges for the policy.
3. Pay all taxes and/or assessments, levied and assessed against the land, which are due and payable.
4. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land.
5. Documents, satisfactory to us, creating the interest in the land and/or mortgage to be insured, must be signed, delivered and recorded.
6. The undersigned has examined title to the subject property solely for the purpose of determining the status of ownership of the subject property. The undersigned has not been requested to, and has not, evaluated the financial soundness of the borrower or the sufficiency of value of the property as collateral for any loan, and expressly disclaims any liability for the decision to enter into the loan, which decision is completely the responsibility of the institution making said loan.
7. If a policy is issued, a City of Paducah premium tax of 6% of the premium MUST BE collected in addition to the premium.
8. The undersigned has examined title to the subject property solely for the purpose of determining the status of ownership of the subject property. The undersigned has not been requested to, and has not, evaluated the financial soundness of the borrower or the sufficiency of value of the property as collateral for any loan, and expressly disclaims any liability for the decision to enter into the loan, which decision is completely the responsibility of the institution making said loan.
9. The property address referenced here, if any, was obtained from the local property assessor's office and is for informational purposes only. This examiner makes no certification as to the accuracy of the property address and disclaims any liability for your reliance upon same.
10. Produce satisfactory evidence that all corporate entities and partnerships involved in the conveyance of the insured property are duly organized and are in good standing in their state of incorporation/registration and the State of Kentucky. Further, that the Board of Directors of any corporation involved in this transaction approved by resolution, the sale or purchase of the insured property for the consideration to be given along with designating a person, persons or class of persons who can execute the documents and otherwise act on its behalf.

## First American Title Insurance Company

### SCHEDULE B – SECTION II EXCEPTIONS

Issuing Office File No. 051713PM

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession in the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstances affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. Any mineral or mineral rights leased, granted or retained by current or prior owners.
6. Subject to Protective covenants and Restrictions for Industrial Park West of record in Deed Book 1186, page 67, and re-recorded in Deed Book 1186, page 643, in the McCracken County Court Clerk's Office.
7. Covenants, conditions, easements, and notes are set forth in Plat Section L, page 1308, in the McCracken County Court Clerk's Office. Said plat reveals a 50' front minimum building line and a 25' minimum building line along the east property line. A 50' transmission line easement runs along the rear of said tract and a 30' drainage and public utility easement runs along the boundary of Tracts C and F (65' on each tract). A 7.5' utility easement also runs along the east property line.
8. The larger tract from which the above described property was taken is subject to an easement dated March 21, 1977, in favor of Paducah Power System. Said easement is of record in Deed Book 592, page 121, McCracken County Court Clerk's Office. Said easement is 125' across property.
9. The larger tract from which the above described property was taken is subject to an easement dated February 5, 1975, in favor of Kentucky Utilities. Said permit is of record in Deed Book 571, page 10, McCracken County Court Clerk's Office. Said easement is 50' across property.

10. The larger tract from which the above described property was taken is subject to a general permit dated June 30, 1930, in favor of Southern Bell Telephone & Telegraph Company for service across property. Said easement is of record in Deed Book 174, page 261. McCracken County Court Clerk's Office.
11. The larger tract from which the above described property was taken is subject to a general permit dated June 28, 1928, in favor of Southern Bell Telephone & Telegraph Company for clearance across said property. Said permit is of record in Deed Book 165, page 247. McCracken County Court Clerk's Office.
12. This property was tax exempt for the 2012 tax year. City, state and county advalorem taxes for 2013 are a lien assessed, not yet due and payable.

160460.doc

Declaration of Protective Covenants and Restrictions

**Industrial Park West**

THIS DECLARATION is made on this 15<sup>th</sup> January, 2010 by PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, (the "Developer" or "PMIDA"), a governmental agency and instrumentality of the City of Paducah, and County of McCracken, Kentucky, as the owner and developer of that certain real property located in Paducah, McCracken County, State of Kentucky, known as Industrial Park West (the Development).

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property located in Paducah, McCracken, Kentucky, more particularly described on Exhibit A; and

WHEREAS, the Developer has caused to be developed and continues to develop the aforesaid real property as an industrial park, known as Industrial Park West pursuant to the public purpose of the City of Paducah and County of McCracken of enhancing economic development and providing quality job opportunities for the citizens of Paducah, McCracken County, and the Commonwealth of Kentucky;

WHEREAS, in order to establish a general plan for the improvement and development of Industrial Park West, the Developer desires to subject the aforesaid real property to certain conditions, restrictions, easements, and covenants, upon and subject to which the aforesaid real property shall be held, transferred, sold, leased, conveyed, and occupied for the benefit of the current owners and all future owners in Industrial Park West; and

WHEREAS, the imposition of the conditions, restrictions, easements, and covenants contained in this Declaration was approved by the board of directors of the Developer on or about January 26, 2001, and on January 15, 2010 authorized and directed the recording of these conditions, restrictions, easements, and covenants in the McCracken County Court Clerk's office; and

NOW, THEREFORE, the Developer hereby declares that the aforesaid real property shall be held by the Developer and each subsequent owner subject to the conditions, restrictions, easements, and covenants contained in this Declaration which shall run with the land and be binding upon all parties having any right, title or interest in the aforesaid real property, their heirs, successors and assigns and shall inure to the benefit of the Developer and each subsequent owner.

**1.0 PERMITTED USES:** All such real estate shall be used for manufacturing, corporate or regional headquarters, and/or warehouse and distribution purposes. Factory retail outlets, if products sold at retail are manufactured on the premises, are allowed as secondary operations to the manufacturing purposes. In addition, educational and training facilities, day care centers for children of employees, and/or other purposes directly related the operation of the facility or human resources purposes are allowed contingent upon prior written approval of the PMIDA.

**1.2 HAZARDOUS OR ILLEGAL USES:** No grantee, lessee or occupant shall utilize or allow the utilization of such premises, or any portion thereof, for the manufacturing, storage or distribution or sale of any products or items which will increase fire hazards to adjoining properties or for any purposes which constitute a nuisance or causes emissions or odors or gases injurious to products manufactured or stored upon adjoining premises or premises within 500 feet of said property, or for any purpose or use that violates the laws of the United States of America, the Commonwealth of Kentucky or applicable city or county ordinances or resolutions.

**1.3 EXCAVATION:** No excavations or excavating work shall be permitted on any part of said real estate except on such real estate immediately prior to and during the construction of such buildings and tangible improvements or repairs. No soil, sand, gravel, minerals, aggregate or earth materials shall be removed from said real estate except as part of such excavations made for the purposes of constructing buildings and tangible improvements on said real estate.

**1.4 OUTSIDE STORAGE:** No materials, inventory, goods-in-progress, semi-manufactured items, finished products, plant equipment, parts, rubbish, work materials or other personal property shall be kept, stored, maintained or accumulated on any part of said real estate outside of buildings erected thereon, in the public view. When necessary to store or keep materials in the open, the lot area shall be fenced with a screening fence at least six (6) feet high and storage shall be limited to the rear two-thirds (2/3) of the property, except where prior written approval of the PMIDA is secured.

**2.0 SETBACKS AND GROUND AREA COVERAGE:** The regulations, lot sizes, setbacks and yard dimensions shall be in accordance with applicable zoning ordinance of the City of Paducah and/or the County of McCracken except: (a). minimum lot sizes shall be 3 acres; (b). all structure shall be set back at least fifty (50) feet from the right of way (front setback) and paving shall be twenty-five (25) feet from the right of way; (c). no building shall be located closer than twenty-five (25) feet to the rear and side lot lines and paving shall be no closer than five (5) feet from the rear and side lot lines; (d). not more than fifty percent 50% of any lot shall be covered by structure.

**3.0 CONSTRUCTION MATERIALS AND APPEARANCE:** Front exterior wall shall be of masonry concrete, glass, stucco or decorative concrete block or approved equivalent material, unless all exterior walls are at least fifty percent (50%) composed of the aforementioned materials. All gutters, coping, and metal trim shall be of sufficient gage to eliminate unsightly effects with age and all colored metal shall have a life expectancy of twenty (20) years. No galvanized sheet metal will be permitted.

**3.1 APPROVAL BY PMDA:** All other types of construction not covered by the above description must first be submitted and have written approval by the PMDA.

**3.2 CONSTRUCTION SCHEDULES:** The PMDA shall have the power to approve the construction schedule of any development by grantee or lessee. Any grantee or lessee taking title or leasehold interest in any realty in the park shall begin construction within one (1) year of closing on said real estate or execution of lease. Completion of construction shall be substantially in accordance with the plans and specifications approved by the PMDA.

**3.3 REFUSE CONTAINERS:** Refuse containers must be located at the side or rear of the building and screened.

**3.4 HEATING AND COOLING TOWERS:** All heating and cooling towers placed on the roofs of buildings shall be screened or enclosed from the street view so that they are architecturally compatible with the main portion of the building.

**3.5 LOADING DOCKS AND FACILITIES:** Provisions for handling all freight, whether by rail or truck, must be on those sides of any building which do not face a frontage street. All loading docks must be located at the rear or sides of the buildings. Loading facilities shall be constructed so that no part of the longest legal loading vehicle being unloaded at any loading dock, door or area will extend beyond the parcel boundary line. All loading areas shall be screened from the street view.

**3.6 PARKING:** Employee, customer, owner or tenant parking will not be permitted on any public street now in existence, through or adjacent to the above described realty. Parking areas must be paved with year round surface (asphalt or concrete). Paved and marked off-street parking areas sufficient for all the automobiles and trucks of any business and its employees, customers, visitors and other vehicle parking used in the conduct of the business shall be provided on each parcel.

**3.7 FRONT SETBACK PARKING:** On all parcels parking in the front setback area shall be limited to noncommercial vehicles only and shall not exceed 50% of the required minimum front setback areas.

**3.8 AMOUNT OF PARKING:**

**manufacturing:** One passenger car parking space shall be provided for every 800 square feet of building area.

**warehouse/distribution:** One passenger car parking space shall be provided for 5,000 square feet of gross floor area.

**business & professional offices:** One passenger car parking space shall be provided for every 250 square feet of gross floor area.

**4.0 UNDERGROUND UTILITIES:** All electric power line, telephone line, water pipe, gas pipe, sewer pipe, or drainage pipe (other than rainwater leaders) shall be installed and maintained

below the surface of the ground, except for meter connections. Exceptions should be approved prior to construction by the PMIDA.

**4.1 UTILITY EASEMENTS:** All utility easements shall be kept free of all structures and permanent plantings of trees, ground covers, or shrubs unless prior written approval is obtained from the utility provider and PMIDA.

**5.0 SITE MAINTENANCE:** Sites that are not improved or built upon shall be maintained in a clean and neat appearance by the property owner or lessee. All of said real estate and all buildings, structures, improvements, appurtenances, signs, lawns, landscaping, sidewalks, driveways, parking areas, and entrances thereon must at all times be maintained in safe, clean and good condition.

**6.0 LANDSCAPING:** The land of building lines shall be properly landscaped and/or surfaced for parking areas, shall be maintained by and at the expense of the grantee, lessee or occupant of the premises. A minimum of five percent (5%), or as approved by the PMIDA, of the property not covered by buildings shall be landscaped in materials other than ground cover. Landscaping should be used to enhance screening of objects unsightly from the street view, to break up parking lots by adding planting strips, and to generally lessen the severity of the appearance of the lot and Park.

**6.1 TYPES OF LANDSCAPING:** In addition to trees, ground cover, and gardens, landscaping may include, where appropriate, the use of walls, berms, screening, terraces, fountains, pools, etc. The saving of existing vegetation, when possible, especially trees, is of prime importance.

**6.2 APPROVAL OF LANDSCAPING:** Plans for both landscaping and parking areas must be approved by the PMIDA.

**7.0 SIGNS:** All signs in the Park shall comply with the regulations of any federal, state, local or other governmental authority now or later created that has jurisdiction. All signs, including their sizes, graphics, colors and placement on lots and/or buildings must be approved by the PMIDA prior to erection or construction.

**7.1 NUMBER OF SIGNS:** One logo/emblem/graphic sign that is flush mounted to a building façade will be allowed in addition to one free-standing sign located in the front yard of the building. If more than one tenant occupies a building, one multiple tenant identification sign will also be allowed. Internal directional signage on lots for the purposes of routing trucks, visitors, customers will be allowed only with prior written approval of the PMIDA.

**7.2 INFORMATION ALLOWED:** Signs on any parcel shall be limited solely to those that identify the name and type of business of the tenant.

**7.3 SIZE OF SIGN:** The size of the sign shall be in direct proportion to the size of the building and the exposures to the roadway or street. The topmost point of any freestanding sign shall be

no higher than 8 feet above the finished parcel grade on which it stands and shall be no more than sixteen (16) feet in length. No signs shall obstruct the visions of automotive traffic. 647

7.4 TYPE OF SIGN: Signs shall be of a permanent nature. Neon, flashing signs, billboards, advertising of products or services or containing other direct sales information are prohibited. No signs or advertising devices shall be mounted directly or painted on the exterior roof of any building.

7.5 OTHER MEDIA: No devices such as flashing or rotating devices, phonographs, radios, public address systems or sound productions or reproduction devices are permitted in advertising or identifying the building.

8.0 RESUBDIVISION OF LOTS: No resubdivision of lots is allowed without prior written approval of the PMIDA.

In the event there is any conflict between these covenants, conditions and provisions and the zoning ordinances of the City of Paducah and/or the County of McCracken, such shall be resolved in favor of the more restrictive provisions.

These restrictive covenants shall be deemed for the benefit of the present and future owners and occupants of the Park and may be enforced at law or in equity by the Paducah/McCracken County Industrial Development Authority, and any grantee, lessee or other occupant utilizing the facilities of the above-described realty and/or any other member of the general public. These restrictive covenants shall be in full force and effect for a period of 50 years from the date hereof, and unless altered, amended or terminated in writing by three-fourths of all grantees, lessees or occupants of the above-described realty, the same shall be extended automatically for another 50 years.

The effective date of this Declaration shall be January 26, 2001.

WITNESS the signatures of the Developer and subsequent owners as of the date first above written.

DEVELOPER:

PADUCAH-MCCRACKEN COUNTY  
INDUSTRIAL DEVELOPMENT AUTHORITY

By W. R. Johnson  
Title Chairman

072 648

Have seen and agreed.

OWNERS:

CITY OF PADUCAH

COUNTY OF MCCRACKEN, KENTUCKY

By [Signature]  
Title Mayor

By [Signature]  
Title JUDGE-EXECUTIVE

STATE OF KENTUCKY )

COUNTY OF McCRACKEN )

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of March, 2010, by W.R. Johnston, Chairman (title), of the Paducah-McCracken County Industrial Development Authority, on behalf of said entity.

My commission expires 5/4/2010

[Signature]  
Notary Public, State at Large

STATE OF KENTUCKY )

COUNTY OF McCRACKEN )

The foregoing instrument was acknowledged before me this 13 day of April, 2010, by William Paxton, Mayor (title), of the City of Paducah, Kentucky, on behalf of said entity.

My commission expires Nov 1, 2012

[Signature]  
Notary Public, State at Large

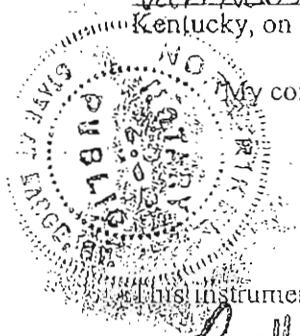


073  
649

STATE OF KENTUCKY            )  
  )  
COUNTY OF McCracken        )

The foregoing instrument was acknowledged before me this 13 day of April, 2010, by Van Newberry, Judge Executive (title), of the County of McCracken, Kentucky, on behalf of said entity.

My commission expires Nov 1, 2012.



Nora Ruhl  
Notary Public, State at Large

This instrument prepared by:  
Roadt Emmons  
DENTON & KEULER, LLP  
P. O. Box 929  
Paducah, KY 42002-0929

EXHIBIT A

Industrial Park West

Parcel I

BEING A CERTAIN TRACT OF LAND CONTAINING 192.3326 ACRES AS SET FORTH ON THE PHASE ONE RIGHT OF WAY DEDICATION AND FINAL SUBDIVISION OF THE PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PROPERTY OF RECORD IN PLAT SECTION "L," PAGE 648, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE. SUBSEQUENTLY DESCRIBED AS BEING TRACTS A, A-1, B, AND C IN INDUSTRIAL PARK WEST AS SET FORTH ON THE PHASE II RIGHT OF WAY DEDICATION AND FINAL SUBDIVISION OF THE PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PROPERTY OF RECORD IN PLAT SECTION "L," PAGE 1165, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

BEING THE SAME PROPERTY CONVEYED TO PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, A KENTUCKY CORPORATION, BY DEEDS DATED JULY 2, 1997, OF RECORD IN DEED BOOK 875, PAGE 32, AND RE-RECORDED IN DEED BOOK 897, PAGE 307, AND DEED DATED APRIL 25, 1997, OF RECORD IN DEED BOOK 871, PAGE 672, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE

Parcel II

BEING A CERTAIN TRACT OF LAND CONTAINING 16.3868 ACRES AS SET FORTH ON THE PLAT OF ANNEXATION OF THE PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PROPERTY OF RECORD IN PLAT SECTION "L," PAGE 912, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

BEING THE SAME PROPERTY CONVEYED TO PADUCAH-MCCRACKEN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, A KENTUCKY CORPORATION, BY DEEDS DATED MARCH 8, 2002, OF RECORD IN DEED BOOK 975, PAGE 313, DATED AUGUST 19, 2002, OF RECORD IN DEED BOOK 987, PAGE 524, AND DATED SEPTEMBER 3, 2002, OF RECORD IN DEED BOOK 989, PAGE 62, ALL OF RECORD IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

STATE OF KENTUCKY } SGT.  
COUNTY OF MCCRACKEN

I, Jeff Jerrell, Clerk of the County Court for the County and State aforesaid, do certify that the foregoing instrument of writing was lodged for record on the 1 day of April 2010 at 2:40 P.M. o'clock, and I have recorded the same together with this and the foregoing certificate in my office in Deed Book No. 1186 Page No. 67  
Given under my hand this 1 day of April 2010.  
JEFF JERRELL, CLERK  
By J. Handley cc.

## Agenda Action Form Paducah City Commission

Meeting Date: March 11, 2014

Short Title: Authorizing Interlocal Cooperative Agreement with McCracken County and GPEDC, Inc., for construction of renovation to the spec building located at 5455 Commerce Drive in Paducah, in connection with a public project to be leased to Macco Organiques Corporation ("Macco").

Ordinance  Emergency  Municipal Order  Resolution  Motion

Staff Work By: Jeff Pederson, City Manager  
Presentation By: Jeff Pederson, City Manager

### Background Information:

On April 10, 2013, City, McCracken County, GPEDC, Inc. and IDA entered into a Memorandum of Understanding ("MOU") with Macco for the relocation and development of an industrial/distribution facility at the spec building located at 5455 Commerce Drive, (the "Project Site") in Paducah. Under the MOU, City and County each agreed to commit \$1,250,000 (total of \$2.5 million) (the "Construction Allowance") for the construction of certain renovations to the spec building and site preparation (the "Project Improvements") in order to make the site suitable for occupation by Macco. Any cost in excess of the Construction Allowance shall be the responsibility of Macco.

Originally the Project Site was owned by IDA, however, as a result of the Construction Allowance commitment of City and County and the financing of same City and County will own the Project Site. Further the City and County have assumed the obligations of IDA under the Lease Agreement entered into on May 31, 2013 between IDA, as lessor, and Macco, as lessee and subsequently assigned by IDA to the City and County. These transactions further the public purpose of the City to achieve long-term economic growth and employment opportunities for its citizens.

Also pursuant to the MOU and Lease, City and County are to supervise and oversee the construction of the Project Improvements on the Project Site. In order to accomplish this construction, City and County desire to enter into an Interlocal Cooperative Agreement with GPEDC, Inc., to establish their respective rights and duties in connection with the construction of the Project Improvements on the Project Site, all in accordance with the Interlocal Act.

Therefore, I seek approval from the City Commission to enter into and have the Mayor execute (1) the Interlocal Cooperative Agreement among City, County, and GPEDC, Inc., in

Agenda Action Form

substantially the form attached hereto as Exhibit A.

Goal: XStrong Economy  Quality Services  Vital Neighborhoods  Restored Downtowns

Funds Available: Account Name:  
Account Number:

Finance
---------

Staff Recommendation:

Attachments:

Department Head	City Clerk	City Manager
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**ORDINANCE NO. 2014 - \_\_\_\_\_**

AN ORDINANCE OF THE CITY OF PADUCAH, KENTUCKY,  
APPROVING AND AUTHORIZING THE EXECUTION OF AN  
INTERLOCAL COOPERTIVE AGREEMENT AMONG THE CITY OF  
PADUCAH, KENTUCKY, THE COUNTY OF MCCRACKEN,  
KENTUCKY, AND G.P.E.D.C., INC.

WHEREAS, City and County are each owners of an undivided ½ interest in certain a spec building (the "Building") located at 5455 Commerce Drive (the "Project Site"), in Paducah, McCracken County, Kentucky; and

WHEREAS, City and County have a compelling public interest in fostering economic development, promoting the development of a skilled workforce, relieving conditions of unemployment, replacing lost jobs, expanding local tax bases, and increasing general commerce, all to the benefit of the citizens and residents of the city of Paducah and the county of McCracken, Kentucky; and

WHEREAS, City and County have determined that in order to accomplish the public purposes of City and County, it is desirable and necessary for City and County to construct the Project Improvements to the Building located on the Project Site utilizing the Construction Allowance funded by City and County, and that City and County shall lease the Building as improved and the Project Site (collectively, the "Premises") to MACCO Organiques Corporation (the "Corporation") for the purposes of locating, installing, equipping, operating and managing an industrial/distribution facility and the hiring and maintaining 40 new full-time employees at the Premises (the "Project"), all as more particularly set forth in a certain Lease Agreement, as the same may be amended or supplemented, dated May 31, 2013, among the Corporation, as lessee, and IDA, as lessor, and subsequently assigned to City and County, as lessors; and

WHEREAS, City, County, and GPEDC desire to enter into an agreement which sets forth the common plan of construction that the City of Paducah, County of McCracken, and G.P.E.D.C., Inc., ("GPEDC") will follow together to undertake the construction of Project Improvements to the building and site situated at 5455 Commerce Drive, Paducah, McCracken County, Kentucky in the most cost effective manner for a rental arrangement with MACCO Organiques Corporation; and

WHEREAS, pursuant to Sections 65.210 to 65.300, inclusive, of the Kentucky Revised Statutes, as amended (the "Interlocal Act"), the City and the County may join together to accomplish what each may accomplish individually.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PADUCAH, KENTUCKY, AS FOLLOWS:

Section 1. The City of Paducah, Kentucky, hereby approves the Interlocal Cooperative Agreement between the City of Paducah, Kentucky, the County of McCracken, Kentucky, and G.P.E.D.C. Inc. in substantially the form attached hereto as Exhibit A and made part hereof. It is

hereby found and determined that the Interlocal Cooperative Agreement furthers the public purposes of the City and it is in the best interest of the citizens, residents and inhabitants of the City that the City enter into the Interlocal Cooperative Agreement for the purposes therein specified and the execution and delivery of the Interlocal Cooperative Agreement is hereby authorized and approved. The Mayor is hereby authorized to execute the Interlocal Cooperative Agreement, together with such other agreements, instruments or certifications which may be necessary to accomplish the transaction contemplated by the Interlocal Cooperative Agreement with such changes in the Interlocal Cooperative Agreement not inconsistent with this Ordinance and not substantially adverse to the City as may be approved by the official executing the same on behalf of the City. The approval of such changes by said official, and that such are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Interlocal Cooperative Agreement by such official.

Section 2. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 3. Compliance With Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission, and that all deliberations of this City Commission and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 4. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

Section 5. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
City Clerk

Introduced by the Board of Commissioners, \_\_\_\_\_, 2014

Adopted by the Board of Commissioners, \_\_\_\_\_, 2014

Recorded by City Clerk, \_\_\_\_\_, 2014

Published by *The Paducah Sun*, \_\_\_\_\_, 2014

EXHIBIT A  
INTERLOCAL COOPERATIVE AGREEMENT

## INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT (this "Agreement") made and entered into as of the \_\_\_\_\_ day of March 2014 by and between the CITY OF PADUCAH, KENTUCKY ("City"), the COUNTY OF McCRACKEN, KENTUCKY ("County"), and G.P.E.D.C., INC., a Kentucky non-profit corporation, doing business under the assumed name of Greater Paducah Economic Development Council, ("GPEDC").

### WITNESSETH

WHEREAS, City and County are each owners of an undivided ½ interest in certain a spec building (the "Building") located at 5455 Commerce Drive (the "Project Site"), in Paducah, McCracken County, Kentucky, which property is more particularly described in **Exhibit A**; and

WHEREAS, City and County have a compelling public interest in fostering economic development, promoting the development of a skilled workforce, relieving conditions of unemployment, replacing lost jobs, expanding local tax bases, and increasing general commerce, all to the benefit of the citizens and residents of the city of Paducah and the county of McCracken, Kentucky; and

WHEREAS, City and County have determined that in order to accomplish the public purposes of City and County, it is desirable and necessary for City and County to construct the Project Improvements to the Building located on the Project Site utilizing the Construction Allowance funded by City and County, and that City and County shall lease the Building as improved and the Project Site (collectively, the "Premises") to MACCO Organiques Corporation (the "Corporation") for the purposes of locating, installing, equipping, operating and managing an industrial/distribution facility and the hiring and maintaining 40 new full-time employees at the Premises (the "Project"), all as more particularly set forth in a certain Lease Agreement, as the same may be amended or supplemented, dated May 31, 2013, among the Corporation, as lessee, and IDA, as lessor, and subsequently assigned to City and County, as lessors (the "Lease") (terms not otherwise defined herein shall have the same meaning as set forth in the Lease); and

WHEREAS, pursuant to Sections 65.210 to 65.300, inclusive, of the Kentucky Revised Statutes, as amended (the "Interlocal Act") City and County may join together to accomplish what each may accomplish individually; and

WHEREAS, as a result to the foregoing findings, City and County have determined that it is advantageous and in the best interests of the inhabitants of the City and the County that City and County proceed together to undertake the construction of the Project Improvements in the most cost effective manner pursuant to this Agreement and the Interlocal Act; and

WHEREAS, City, County, and GPEDC now wish to establish their respective rights and duties in connection with the construction of the Project Improvements on the Project Site, all in accordance with the Interlocal Act;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS BETWEEN THE PARTIES, IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

"BUILDING" shall mean that certain existing spec building as improved by the Project Improvements located on the Project Site.

"CITY" means the City of Paducah, Kentucky acting by and through its City Commission.

"CITY'S CONTRIBUTION" means the amount of \$1,250,000 to be committed by City for the Construction Allowance.

"CONSTRUCTION AGREEMENT" shall mean (i) the construction agreements between City, County, and contractor or contractors selected by the Project Manager with respect to the construction of the Project Improvements and (ii) all agreements related to the construction of the Project Improvements.

"CONSTRUCTION ALLOWANCE" shall mean up to and not to exceed \$2.5 million committed by City and County pursuant to the MOU for the construction of the Project Improvements on the Project Site.

"CONSTRUCTION FUND" means the account established by GPEDC into which the Contributions shall be deposited.

"CORPORATION" shall mean MACCO ORGANIQUES CORPORATION, a Kentucky corporation.

"COUNTY" means the County of McCracken, Kentucky acting by and through its Fiscal Court.

"COUNTY'S CONTRIBUTION" means the amount of \$1,250,000 to be committed by County for the Construction Allowance.

"GPEDC" shall mean the G.P.E.D.C., INC., doing business under the assumed name of the Greater Paducah Economic Development Council, Inc., a Kentucky not-for-profit-corporation.

"LEASE" means the Lease Agreement dated May 31, 2013 among the Corporation, as lessee, and IDA, as lessor, which lease was subsequently assigned to City and County, as lessors.

"INTERLOCAL ACT" means KRS 65.210 through 65.300.

"KRS" means the Kentucky Revised Statutes, as amended.

"PREMISES" shall mean, collectively, the Building, the Project Improvements and the Project Site.

“PROJECT” shall mean the locating, installing, equipping, operating and managing an industrial/distribution facility by Lessee, and the efforts of Lessee to meet the Employment Commitment, all as more particularly set forth in this Lease and the MOU.

“PROJECT IMPROVEMENTS” shall mean the renovation of the Building and site preparation of the Project Site to create a space and environment reasonably suitable for the operation of the Project as contemplated by the Project Plans. The renovation of the Building shall be designed and completed in such manner and to such standards as to comply with state, local and federal regulations applicable thereto.

“PROJECT EVALUATOR” shall mean the authorized designee of Peck Flannery Gream Warren, Inc., a Kentucky corporation with a principal office located at 101 South 4<sup>th</sup> Street, Paducah, Kentucky 42001.

“PROJECT MANAGER” shall mean GPEDC.

“PROJECT SITE” shall mean the site on which the Building is located and the Project Improvements and the Lessee Improvements are to be located and Lessee is to equip, operate and manage the Project, which site is generally located at 5455 Commerce Drive, Paducah, McCracken County, Kentucky, and is more particularly described in Exhibit A attached hereto.

## 2. GENERAL CONSTRUCTION PLAN

It is the intention of the parties to this Agreement to set forth their respective rights and duties in connection with the construction of the Project Improvements on the Project Site.

The Contributions of City and County shall be utilized to fund the Construction Allowance. City and County shall timely deliver their respective Contribution to the Project Manager. Upon receipt of the Contributions, the Project Manager shall place the Contributions into a non-interest bearing account in federally insured institution (the “Construction Fund”), and thereafter hold the Construction Fund, subject to the instructions and understandings as provided under this Agreement.

The Construction Fund shall be remitted by the Project Manager to pay the costs of the construction of the Project Improvements on the Project Site up to an amount not to exceed the Construction Allowance. Pursuant to the Lease, the Corporation shall be responsible, at its own cost, for the design and construction of the Project Improvements in excess of the Construction Allowance.

City and County shall cause, supervise, and oversee, through the Project Manager, the design, construction and completion of the Project Improvements in such manner and to such standards as to comply with state, local and federal regulations applicable thereto and to create a space and environment reasonably suitable for the operation of the Project. The Project Manager may retain the professional services of a qualified Project Evaluator who shall assist the Project Manager in administering the construction of the Project, and the remittance of the Construction Fund. In relation thereto, the Project Evaluator shall have the right and authority to (i) inspect the construction work that has been provided on the Project Improvements, (ii) consult with the

contractor and its subcontractors and material providers on construction matters and costs, (iii) verify that the Project Improvements are being constructed in accordance with the construction plans and specifications, (iv) verify the costs of construction and the percentage of completion of construction, (v) approve or reject applications for payments, and (vi) perform any other activity as directed by the Project Manager on behalf of City and County.

The Premises is owned by City and County and is leased to the Company in accordance with the Lease. City and County shall deliver possession of the Premises as improved to the Company on the date a certificate of occupancy for the Premises has been issued by the appropriate governmental authority (the "Commencement Date").

### 3. GPEDC TO ACT AS PROJECT MANAGER FOR ADMINISTRATION OF THIS AGREEMENT AND CONSTRUCTION OF PROJECT IMPROVEMENTS

In connection with the administration of this Agreement and the construction of the Project Improvements, City and County designate GPEDC as the Project Manager for all purposes relating to the construction of the Project Improvements, including without limitation the following:

- (a) Review of the design of the Project Improvements.
- (b) Obtain competitive bids in accordance with the Kentucky Model Procurement Code (KRS Chapter 45A), the Procurement Code of the City of Paducah and all other applicable legal requirements including, without limitation, prevailing wages, for the construction work that is required for the construction of the Project Improvements; and award the contract to the responsible bidder who submits the responsive bid of the lowest evaluated bid price as reasonably determined by the Project Manager after consultation with the City Manager and the County's Deputy Judge Executive.
- (c) Negotiation of the Construction Agreement for the construction of the Project Improvements in a timely and workmanlike manner that is in accordance with generally accepted construction practices, which construction agreement shall be submitted to and approved by the governing bodies of City and County.
- (d) Timely completion of the construction of the Project Improvements and obtaining a certificate of occupancy for the Premises issued by the appropriate governmental authority
- (e) Upon completion of the construction, Project Manager shall obtain final lien waivers from the contractor and its subcontractors and material providers which effectively release their lien interests against the Premises.
- (f) Performance of all other duties customarily incident to the foregoing provisions of subparagraph (a), (b), (c), (d) and (e).

Actions heretofore taken by the Project Manager in such respects are expressly affirmed and ratified by City and County.

#### 4. APPLICATIONS TO THE PROJECT MANAGER FOR PAYMENT OF CONSTRUCTION COSTS.

The Construction Fund shall be disbursed by the Project Manager as follows:

(a) Written requests for payment of the costs of the Project Improvements payable under the Construction Agreement in such amounts not to exceed the Construction Allowance shall be submitted to the Project Manager, subject to the provisions and restrictions of this Section.

(b) All requests for payments shall be evidenced by a properly completed AIA construction form G702 (Application and Certificate for Payment) that has been duly executed by the contractor, and approved by the Corporation's architect. Requests for payments shall also include interim mechanic and materialmen lien waivers that have been duly executed by the contractor, and its subcontractors and material providers, which shall contain the amount of payments received by each of them, and a lien waiver to the extent of those amounts.

(c) Upon receipt of a request for payment, the Project Manager shall submit a copy of the request to the Project Evaluator for approval. The Project Evaluator shall review and evaluate the construction costs and other information contained in the request and determine whether the application is in conformance with the Construction Agreement. In the event the Project Evaluator approves the application, the Project Evaluator shall submit the application to the Project Manager for its review and acceptance.

(d) If the Project Evaluator approves the application, the Project Manager shall remit the requisition out of the Construction Fund, provided, however, (i) the amounts requisitioned do not exceed the Construction Allowance, (ii) there has not been filed with or served upon City, County or the Project Manager notice of any lien or attachment upon, or claim affecting the right to receive payment of any of the amounts requisitioned and payable to any of the persons, firms or corporations named in such application which has not been released or will not be released simultaneously with such payment, and (iii) such requisition contains no item representing payment on account of any retained percentages of the cost of construction of the Project Improvements which City and County are at the date of such requisition entitled to retain.

(e) The Project Evaluator shall reject an application (or any part thereof) for nonconformance, incompleteness, inaccuracy, nonperformance of work, nonconforming work, failure to perform, and other valid grounds. In the event the Project Evaluator rejects an application (or any part thereof), the Project Evaluator shall issue a written directive which sets forth (i) the portion of the application that has been rejected, (ii) the grounds for the rejection, and (iii) the portion of the request that has been approved for processing. The Project Manager shall have final approval on all applications for payment. In the event, the Project Manager rejects any application (or any part thereof), the Project Manager shall comply with the rejection procedure as set forth in this paragraph.

(f) An application rejected by the Project Evaluator or the Project Manager shall not be paid until a cure or remedy is provided by the contractor and approved by the Project Evaluator and the Project Manager, whichever is applicable.

(g) All reasonable costs and expenses incurred by the Project Manager as a result of this Agreement, including without limitation attorney fees and cost of the Project Evaluator's services, shall be paid out of the Construction Fund.

(h) The Project Manager shall keep and maintain complete and detailed records with respect to the Construction Fund. Additionally, the Project Manager shall provide timely notice of all remittances from the Construction Fund to the City Manager and the County's Deputy Judge Executive. The notice shall include without limitation the request for payment and supporting documentation.

(i) At such time as all moneys due to be disbursed from the Construction Fund have been so disbursed and paid, the balance in such Construction Fund, if any, shall be transferred by the Project Manager in accordance with the mutual written instructions of City and County.

## 5. ADMINISTRATION AND MANAGEMENT OF THE LEASE

In connection with the administration and management of the Lease, City and County designates GPEDC as its agent for all purposes. Any rental payments resulting from the Lease, if any, will be collected by GPEDC and held in a separate account, and paid out of the separate account as directed by the joint written instructions of City and County.

## 6. DURATION

This Agreement shall remain in full force and effect for a period beginning on the Effective Date of this Agreement and ending on the expiration or termination of the Lease for any reason.

## 7. MISCELLANEOUS

This Agreement shall be binding upon the parties hereto and upon their respective permitted successors and transferees. No party shall assign this Agreement or any rights or obligations hereunder.

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. The venue of any legal dispute shall be the McCracken Circuit Court.

If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement or the applicability of the provisions found to be invalid or ineffective for a specific set of circumstances to other circumstances.

This Agreement may be amended or any of its terms modified only by a written document authorized, executed and delivered by each of the parties hereto.

This Agreement may be executed in one or more counterparts and when each party hereto has executed at least one counterpart, this Agreement shall become binding on all parties and such counterparts shall be deemed to be one and the same document.

Notices made or given by either party in connection with this Agreement must be in writing to be effective. They shall be deemed given if delivered personally (which includes notices given by messenger) or, if delivered by U.S. mail.

8. EFFECTIVE DATE

This Agreement shall be effective on the date when this Agreement is executed by all undersigned parties after the approval by governing body of each.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

CITY OF PADUCAH, KENTUCKY, Authorized  
by Action of the City Commission of the City on  
\_\_\_\_\_, 2014

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

COUNTY OF MCCRACKEN, KENTUCKY,  
Authorized by Action of the Fiscal Court of the  
County on \_\_\_\_\_, 2014

\_\_\_\_\_  
Judge/Executive

Attest:

\_\_\_\_\_  
Fiscal Court Clerk

---

G.P.E.D.C., INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

The foregoing instrument was prepared by:

\_\_\_\_\_  
Lisa H. Emmons  
Denton & Keuler, LLP  
Post Office Box 929  
Paducah, Kentucky 42002-0929

COMMONWEALTH OF KENTUCKY  
OFFICE OF THE ATTORNEY GENERAL  
700 CAPITAL AVENUE, SUITE 118  
FRANKFORT, KENTUCKY 40601-3449  
(502) 696-5300

INTERLOCAL COOPERATION AGREEMENT

Renovation of Project Site for Industrial/Distribution Facility  
Leased To MACCO Organiques Corporation

between

McCracken County, Kentucky  
City of Paducah, Kentucky and  
G.P.E.D.C., INC.

APPROVED \_\_\_\_\_, 2014  
BY THE OFFICE OF THE ATTORNEY  
GENERAL

By: \_\_\_\_\_  
Jack Conway, Attorney General

EXHIBIT A

**Project Site: 5455 Commerce Center  
Paducah, Kentucky**

BEING TRACT C, CONSISTING OF 10.2007 ACRES, IN INDUSTRIAL PARK WEST, AS SHOWN ON THE WAIVER OF SUBDIVISION PLAT AT INDUSTRIAL PARK WEST TO CREATE NEW TRACT F AND REVISE TRACT C OF RECORD IN PLAT SECTION "L," PAGE 1308, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE.

SUBJECT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR INDUSTRIAL PARK WEST OF RECORD IN DEED BOOK, 1186, PAGE 67, AND RERECORDED IN DEED BOOK 1186, PAGE 643, IN THE AFORESAID CLERK'S OFFICE.

BEING THE SAME PROPERTY CONVEYED TO CITY OF PADUCAH, KENTUCKY AND COUNTY OF MCCRACKEN, KENTUCKY BY DEED DATED MARCH \_\_\_\_\_, 2014, OF RECORD IN DEED BOOK \_\_\_\_\_, PAGE \_\_\_\_\_, IN THE MCCRACKEN COUNTY COURT CLERK'S OFFICE